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OEXA 82-1199

Los Angeles Times

TOM JOHNSON
PUBLISHER
AND
CHIEF EXECUTIVE OFFICER
(213) 972-5000

April 30, 1982

OEA

VADM Bobby R. Inman
Deputy Director
Central Intelligence Agency
Washington, D.C. 20505

Dear Bobby:

On behalf of Katharine Graham and the American Newspaper Publishers Association, I want to express my appreciation to you for your excellent presentation at our 96th Annual Convention in San Francisco.

Your time, effort and preparation made a very solid contribution to the success of our program, and I am grateful.

Best personal regards,

Tom

TJ:sh

You did a splendid job. This nation will sorely miss hearing your leadership in government. Thanks for your outstanding service.

TIMES MIRROR SQUARE / LOS ANGELES, CALIFORNIA 90053

WALL STREET JOURNAL
30 April 1982

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STATINTL

CONGRESS PLANS tighter scrutiny of the CIA with Adm. Inman departing.

The retirement of the agency's respected No. 2 man raises concern about its doings. Lawmakers generally distrust CIA Director Casey. They complain he doesn't tell them what the agency is up to, particularly in the area of covert action. With Inman on the job, Congress could "sleep at night," one aide says. Now legislators will want to know more about any "dirty tricks."

But there's a "Catch-22," warns a congressional staffer. Lawmakers expect a harder time getting information now that Inman, their best source, is leaving. They doubt that his replacement, John McMahon, can challenge Casey on issues or exercise control over the agency. A possible result: Casey may get deeper into daily CIA operations that Inman has handled.

The U.S. may take a stiffer stand on verification of arms-control treaties. Inman showed faith in monitoring by satellite, but other officials think on-site inspection is a must.

ARTICLE APPEARED
ON PAGE A-31

NEW YORK TIMES
30 APRIL 1982

Science = Spy-ence

By Daniel S. Greenberg

WASHINGTON — The Reagan Administration's efforts to screen unclassified research from prying foreign adversaries might usefully be examined by keeping in mind Robert Frost's passage: "Before I built a wall I'd ask to know/What I was walling in or walling out. . . ."

Looked at that way, recent overt curbs on visits by Eastern bloc researchers and subtle curbs on visits by Japanese researchers, plus demands for restraints on publication of "sensitive" scientific papers, reflect delusions of scientific omnipotence that are inconsistent with America's actual position in the world of research.

Weep not for the American scientific enterprise, for it is strong in all important disciplines, and the leader in many. However, to an extent that the curtain-closers ignore, science has bloomed elsewhere, notably in Western Europe and Japan, but not insignificantly in the Soviet bloc. The result is that we have a lot of company on scientific frontiers that we dominated for many years. That company, even if politically friendly, is not inclined to collaborate with the Administration's myopic scheme for drawing its scientific wagons into a circle.

While the Reaganites proceed from an assumption that we've got the scientific goods and thus can choose whether to share them, the fact is that the United States accounts for a surprisingly small proportion of the world's scientific output in the disciplines at the heart of military and industrial power. That share has steadily declined as other countries have expanded their scientific programs.

Publication of scientific papers is an indicator of scientific prowess. In physics, our share of papers has declined in recent years to about 30 percent of the world's total, the National Science Foundation reports. In chemistry, we're down to about 20 percent; in mathematics, 40 percent.

Though research papers vary widely in scientific significance, papers produced abroad are satisfying a stiff standard: In increasing numbers, they're winning competition for scarce space in tightly screened American scientific journals. For example, foreign papers on physics in these journals increased from 4,100 to 6,000 between 1973 and 1979 (the last year for which data are available). In that period, American articles in foreign physics journals declined slightly.

With scattershot edicts, various Government agencies have sought to bar foreigners from otherwise open university laboratories, apparently unaware that sizeable fields of academic science would intellectually and financially wither without foreign students and teachers. For example, with Americans lured by high industrial salaries, more than half the Ph.D. candidates in our engineering schools are foreigners, as are nearly half the postdoctoral researchers in physical sciences. Both groups are major sources of teachers and researchers in academe.

It is legally possible to drape a security veil over campus laboratories, screen out foreign staff, and restrict publication of so-called sensitive research. But such security tactics, even if selectively applied, as Adm. Bobby R. Inman, the soon-retiring Deputy Director of Central Intelligence, recommends, are so inimical to the healthy functioning of research that some of the Defense Department's senior scientists are worried about hard-line zealots' running free. Thus, a Defense Science Board study group, while acknowledging a data "outflow" problem, has warned that if the Pentagon "vigorously attempts to regulate the flow of scientific information in the scientific community, it could jeopardize the strength and vitality of the very community it is seeking to revitalize for the sake of national security."

The Administration seems to find comfort in outdated conceptions of Soviet scientific backwardness. In many fields, the Russians indeed lag behind the West — to a large extent because of the obsessional secrecy that hobbles Soviet scientists, despite lavish budgets and strong political support. But, as Frank Press, president of the National Academy of Sciences, has pointed out, in other fields — for example, electrometallurgy, nuclear fusion, physics, and mathematics — the Soviet Union has achieved "world class" status. Nevertheless, America has nearly abandoned its best means for looking inside Soviet science: the traffic back and forth, now virtually ended, of Soviet and American exchange-program scientists.

Prof. Roald Hoffmann of Cornell University, a Nobel laureate who has lectured on chemistry in the Soviet Union, argues that "on simple self-interest grounds. . . it is essential for the security of our country that we have people with firsthand knowledge of the workings of the Soviet system."

But high on foolish notions of where we stand in the scientific world, our protectionists go on with their wall-building.

Daniel S. Greenberg is editor and publisher of Science & Government Report, a newsletter.

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ON PAGE 1

LOS ANGELES TIMES
29 APRIL 1982

Stealth Secrets Sold to Poles, CIA Confirms

By ROBERT C. TOTH,
Times Staff Writer

WASHINGTON—A Central Intelligence Agency report to Congress confirms that "over 20 highly classified reports on advanced future U.S. weapon systems," including "the quiet radar system for the B-1 and Stealth bombers," were sold to the Communist bloc by former Hughes Aircraft engineer William H. Bell.

The information jeopardizes existing and advanced weapons of the United States and its allies, the CIA said. It will help Poland and the Soviet Union save "hundreds of millions of dollars in research and development efforts" on comparable weapons for themselves as well as defensive countermeasures to the U.S. systems, it said. The report did not say how much detailed information had been passed to the Communists.

Bell, then 61 years old, was sentenced last year to eight years in jail and fined $10,000 after pleading guilty in a public trial in Los Angeles. He had been paid $110,000 over a three-year period for the information.

Bell's main contact was a Polish intelligence agent, Marion Zacharski, who was sentenced to life imprisonment for espionage. Zacharski had posed as a Polish businessman initially in dealing with Bell, who had financial troubles.

The CIA report, which is a declassified version of testimony by Deputy CIA Director Bobby R. Inman to a House science and technology subcommittee last month, appears to be the first official confirmation of the kind of information Bell passed on.

Bell told the TV program "60 Minutes" about documents on the Stealth and B-1 radar, as well as other weapon systems, in a detailed interview six weeks ago. The Pentagon refused to comment on his disclosures at that time.

The classified reports Bell filmed and delivered to the Poles, "and probably eventually to the Soviet intelligence service," the CIA report said, included also:

—The "look-down, shoot-down" radar system for the Air Force F-15 fighter.

—An all-weather radar system for tanks.

—An experimental radar system for the U.S. Navy.

—The Phoenix air-to-air missile designed for the Navy's F-14 fighter to use primarily against the Soviet Backfire bomber.

—A shipborne surveillance radar.

—The Patriot (anti-aircraft) surface-to-air missile.

—A "towed-array" sonar system that is a vast network of equipment pulled behind surface ships to detect submarines.

—A new air-to-air missile.

—The improved Hawk (anti-aircraft) surface-to-air missile.

—A NATO air-defense system.

Overthrow of Shah

Some of the secrets may have previously fallen into Soviet hands when the Shah of Iran was overthrown. U.S. F-14 fighters and improved Hawk missiles had been sold to Iran earlier, for example.

The nature of the "quiet radar" for the B-1 and Stealth bombers was not immediately clear. A Pentagon spokesman said it was "assumed the radar emits pulses at low power or pulses that are not easily detected" by hostile antennas.

Neither was it clear whether the radar was that of the B-1 or the B-1B. One official said that the radar for the older B-1 was much less sophisticated than for the B-1B, which is scheduled to go into production. However, the radar to be carried by the B-1B and the Stealth (which promises to be nearly-invisible to enemy radar) would presumably be similar and very advanced systems, he said.

Bell's information was recounted in two paragraphs of the 15-page CIA report, which was titled "Soviet Acquisition of Western Technology." It was published in response to congressional requests for a declassified version of Inman's testimony, a CIA spokesman said.

29 April 1982

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++++SE UUBJY
+BY PHILIP A. SMITH
+NEWHOUSE NEWS SERVICES

WASHINGTON - THE SWIFT APPOINTMENT OF A CAREER INTELLIGENCE OFFICER TO REPLACE RETIRING CIA DEPUTY DIRECTOR BOBBY RAY INMAN HAS EASED CONGRESSIONAL CONCERN ABOUT REAGAN ADMINISTRATION HANDLING OF THE U.S. INTELLIGENCE APPARATUS.

BUT SOME KEY MEMBERS OF CONGRESS HAVE MADE IT CLEAR THEY WOULD HAVE ACCEPTED NOTHING LESS THAN A NON-POLITICAL PROFESSIONAL FOR THE POST, STRONGLY IMPLYING THEY REMAIN SKEPTICAL OF CIA DIRECTOR WILLIAM J. CASEY'S LEADERSHIP OF THE NATION'S WORLDWIDE INTELLIGENCE NETWORK.

WHEN THE WHITE HOUSE ANNOUNCED THAT INMAN - A FOUR-STAR ADMIRAL WITH 30 YEARS OF INTELLIGENCE EXPERIENCE - WAS LEAVING THE CIA AND RETIRING FROM THE NAVY, SEVERAL MEMBERS OF THE SENATE AND HOUSE INTELLIGENCE COMMITTEES IMMEDIATELY EXPRESSED THEIR CONCERN.

SEN. RICHARD G. LUGAR, R-IND., A MEMBER OF THE SENATE INTELLIGENCE COMMITTEE AND A CLOSE ALLY OF PRESIDENT REAGAN, CALLED A PRESS CONFERENCE ''TO SEND SOME SIGNALS'' TO THE WHITE HOUSE THAT CONGRESS WANTED TO BE CONSULTED ON A REPLACEMENT BECAUSE INMAN'S DEPARTURE HAD CREATED ''A RATHER TRAUMATIC SITUATION'' AT THE CIA.

REAGAN'S MONDAY ANNOUNCEMENT OF HIS SELECTION OF 31-YEAR CIA VETERAN JOHN N. MCMAHON TO REPLACE INMAN HAS WON WIDESPREAD PRAISE ON CAPITOL HILL BECAUSE OF MCMAHON'S EXPERIENCE AND PROFESSIONALISM.

BUT CAPITOL HILL REACTION TO MCMAHON'S APPOINTMENT POINTEDLY INDICATED THAT DISPLEASURE WITH CASEY'S LEADERSHIP HADN'T ENTIRELY BEEN ASSUAGED.

TYPICAL OF STATEMENTS BY SENATE INTELLIGENCE COMMITTEE MEMBERS WAS A COMMENT BY SEN. DANIEL P. MOYNIHAN, D-N.Y., THAT ''MR. MCMAHON WAS THE ONLY - AND I REPEAT, ONLY - APPOINTMENT I WOULD HAVE FOUND ACCEPTABLE.''

MOYNIHAN TOLD THE NEW YORK TIMES, ''THE (SENATE INTELLIGENCE) COMMITTEE LOOKED WITH EXTRA RELIANCE ON ADM. INMAN BECAUSE HE WAS A NON-POLITICAL AND PROFESSIONAL INTELLIGENCE OFFICER.

''FRANKLY,'' MOYNIHAN SAID, ''WE WOULD NOT HAVE BEEN ABLE TO ACCEPT SOMEONE EITHER FROM THE POLITICAL WORLD OR THE MILITARY WORLD WHO HAD NO REAL INTELLIGENCE EXPERIENCE.''

LACK OF INTELLIGENCE EXPERIENCE HAS BEEN THE MAJOR CONCERN IN CONGRESS ABOUT CASEY. THOUGH HE SERVED IN THE WORLD WAR II OFFICE OF STRATEGIC SERVICES (THE CIA'S PREDECESSOR), CASEY NEVER HAD DEALT WITH MODERN ELECTRONIC SPYING BEFORE BEING NAMED CIA DIRECTOR BY REAGAN. HE HAD BEEN REAGAN'S CAMPAIGN MANAGER IN THE 1980 ELECTION.

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STATINTL
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MINNEAPOLIS STAR AND TRIBUNE
29 April 1982

people

Admiral Bobby Inman, whose resignation as deputy director of the CIA was announced by the White House last week, was in Minneapolis Wednesday to give the keynote address at a private conference on U.S.-Soviet relations sponsored by the New York-based Council on Foreign Relations. Inman said in an interview that he is leaving the CIA and the navy for private business and that he has "a high degree of confidence in the professional intelligence people" left in the agency. They would demonstrate "great resistance to the idea of using (the CIA's) capabilities improperly," he said.

BALTIMORE SUN
29 April 1982

Why Did Inman Quit?

Adm. Bobby R. Inman was asked at the newspaper publishers' convention why he is quitting as deputy director of the Central Intelligence Agency. There has been much speculation that he is leaving because he too often disagreed with— and lost to—CIA Director William J. Casey on important policy matters. Admiral Inman seemed to confirm that speculation, by telling the publishers, "I have lost any zest that I had for the bureacratic problems."

Admiral Inman is a professional intelligence officer. Mr. Casey is not. He is a lawyer, political adviser and friend of President Reagan. This sharpens the differences between the director and his deputy. The admiral reminded the publishers that in the American system a president has every right to select a CIA director who shares his political views. Absolutely. But when that individual is unable to convince senior careerists—especially in an agency which often has to operate in dark places and in dark ways—that he is leading and managing in the best interests of the country, something is probably wrong, either with the professional or the policy maker. Resignations in protest at this level are very rare in Washington.

Admiral Inman said the U.S. intelligence community is only "marginally" able to deal with the problems of the 1980s and 1990s. Personalities and political philosophy aside, that is disturbing. He also implied that there is no long-range effort under way to improve the system. Also disturbing.

In these circumstances, an elaboration of Admiral Inman's views on the state of the intelligence agencies, on their past and present guiding policies, and on the likely outcome of those policies would be helpful to the Congress and to the general public. He is likely to meet with the Senate Intelligence Committee on other matters soon. In a couple of weeks the committee will hold hearings on the nomination of John McMahon as the new deputy director. Either occasion would be appropriate for an inquiry into his decision to resign.

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THE BOSTON GLOBE
28 April 1982

Inman warns on '90s intelligence

Associated Press

SAN FRANCISCO – US intelligence operations have a "long way to go" if the main problem in the next decade turns out to be worldwide instability, not just Soviet activity in Europe and Asia, the outgoing deputy director of the CIA said yesterday.

In a speech to the American Newspaper Publishers Assn., Adm. Bobby R. Inman, the deputy director, said US intelligence is "marginal" for the threats that will arise in the late 1980s and 1990s.

If the nation's primary problem is dealing with the Soviet Union in Europe and Asia, "then you can relax about the current capabilities of the US intelligence community," Inman said.

"If you happen to share my view that you're more likely to find ... great difficulties in competition for raw materials, natural resources, markets, dealing wth instability in many areas of the world, trying to cope with the fervor of religious movements, then we have a very long way to go," he said.

The career intelligence and military official delivered what he called "the Inman report card" on intelligence capabilities, nearly a week after he announced he was resigning to enter private business.

Inman, 51, said he was quitting because he had "lost any zest ... for bureaucratic problems," not because of major policy disputes. He said there had been "disagreements" with William Casey, the director of central intelligence, but described their overall relationship as "very good."

John N. McMahon, nominated to succeed Inman, is a "super guy," Inman told reporters after his speech.

Summing up the nation's intelligence capabilities, Inman said warning systems about attacks from principal adversaries are "better than they have ever been."

"We do substantially less well in political and economic areas" and "very poorly" in the "basic encyclopedic data base" on which national security and foreign policy decisions rely, he said.

A long-range program to rebuild intelligence capabilities, now moving through Congress, would provide the United States with "the quality of intelligence that it needs," he said.

He said that amending the Freedom of Information Act to exclude the CIA and making it a felony to reveal the identity of US intelligence agents, even from public sources, would help intelligence operations.

A bill by Sen. John Chafee (R-R.I.) would exempt the CIA from disclosing information except for a first-person request for records on an individual.

Excluding the CIA from the Freedom of Information Act would be "much more reassuring to our foreign friends," said Inman.

RADIO TV REPORTS, INC.
4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM News STATION WRC Radio

DATE April 28, 1982 6:30 AM CITY Washington, DC

SUBJECT Inman Speaks Out

NEWSCASTER: Inman speaks out.

The Deputy Director of the CIA who resigned last week says he did not quit because of differences with Director William Casey.

NBC's Curtis Sym was at the speech before newspaper publishers.

CURTIS SYM: Disagreements, not a dislike of CIA Director William Casey led Admiral Bobby Inman to resign from the intelligence gathering organization.

Speaking for the first time publicly on the matter, Inman told a gathering of newspaper publishers his reason for quitting.

ADMIRAL BOBBY INMAN: There were no policy decisions along any major issue that caused me to resign in protest. There were lots of disagreements. A fair number of them were solved to my satisfaction. Not all.

SYM: Inman described himself as very direct, very outspoken. And he said Director Casey had a great deal of patience with him.

Curtis Sym, NBC News, San Francisco.

SAN FRANCISCO CHRONICLE
28 April 1982

STATINTL

Ex-CIA Deputy's Warning

Spy System 'Marginal'

By Michael Harris

United States intelligence is able to issue warnings if the Soviet Union plans surprise attacks, but in most other respects the system's effectiveness is only "marginal," retiring CIA deputy director Bobby R. Inman declared yesterday.

"We reject out of hand the likelihood that we could be surprised by a Pearl Harbor kind of attack of substantial size," Admiral Inman told delegates to the American Newspaper Publishers Association convention at the Fairmont Hotel.

However, he said, the nation's intelligence system can function far better in providing reports on Soviet military readiness than it can in furnishing vital political and economic information.

Inman said that years of neglect and budget cutbacks have left the United States deficient in the "encyclopedic knowledge" it needs to understand what is happening in parts of the world most likely to be involved in the economic and political crises of the 1980s and 1990s.

Inman said he is encouraged that a long-range program to restore missing intelligence capability during the next five to seven years has the backing of the administration and appears likely to win approval by Congress.

The veteran intelligence officer said he had decided not to join in helping to rebuild the system — even though "my arm was twisted severely."

Inman announced his resignation last week, saying he had decided it was time for him to leave both the CIA and the Navy to start a career in private life after 28 years of public service.

In response to a question by Los Angeles Times publisher Tom Johnson, Inman repeated earlier denials that he quit because of disagreements with CIA director William Casey.

"There were no policy decisions that caused me to resign in protest," he said. "There were lots of disagreements — a number of them solved to my satisfaction. But, of those that were not, there were none over matters of principle."

Inman said the quality of the nation's intelligence services began deteriorating with cutbacks when manpower was diverted during the war in Vietnam. Further budget reductions followed.

"From the plateau of 1964 to the low point in the '70s, we drew down 40 percent of the (intelligence) manpower," Inman said.

Inman said the nation's intelligence problems were compounded when the Defense Intelligence Agency began its operations in the 1960s by taking 60 percent of its staff from existing organizations in the armed services.

"It was a classic study of how not to go about creating an organization," Inman said. "The DIA picked up some quality problems right at the outset — simply by not having the top quality needed to compete."

Inman spoke following the publishers association's annual business meeting, at which William C. Marcil, publisher of The Forum in Fargo, N. D., was elected chairman. Marcil succeeds Katherine Graham, publisher of the Washington Post.

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ON PAGE I-2

LOS ANGELES TIMES
28 APRIL 1982

STATINTL

The state of U.S. intelligence is "marginal" for the problems that will arise in the late 1980s and 1990s, outgoing CIA Deputy Director Bobby R. Inman said. In his assessment of the country's intelligence capabilities, Inman, 51, an admiral who announced last week that he was leaving his 30-year career in intelligence to enter private business, said systems for providing warnings of attack are "better than they have ever been." But he added in a speech to the American Newspaper Publishers Assn. that "we do substantially less well in political and economic areas."

HARTFORD COURANT (CT)
28 April 1982

As Good as His Word

Speculation is going around that Adm. Bobby R. Inman has decided to quit as deputy secretary of the CIA because he disagreed with the Reagan administration's move toward increasing counterintelligence activities here in the United States.

Adm. Inman, however, has not shown so far that he is overly concerned about the insinuation of spies in American life. In fact, it was Adm. Inman who proposed that American scientists voluntarily submit reports of research findings to censorship by intelligence agencies before publication.

This shocking proposal, which could debilitate academic freedom and the rate of scientific progress in the United States, was advocated by Adm. Inman because he was concerned that the Soviets and others were learning too much from American research results.

Given the mind set that such a proposal betrays, it is doubtful that Adm. Inman has given his notice because he is overly scrupulous about Mr. Reagan's intelligence policies.

His public explanation — that he wants to get out of government and into private business — is more believable.

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ON PAGE A-16

NEW YORK TIMES
28 APRIL 1982

Inman Calls U.S. Intelligence 'Marginally Capable'

By WALLACE TURNER
Special to The New York Times

SAN FRANCISCO, April 27 — United States foreign intelligence is "marginally capable" of meeting "the problems we are going to face in the 1980's and 1990's," Adm. Bobby R. Inman said in a speech here today at the American Newspaper Publishers Association convention.

It was Admiral Inman's first public address since he announced his intention to resign, effective July 1, as Deputy Director of Central Intelligence.

He said he believed the United States "intelligence community" was fully capable as to the military plans of the Soviet Union. His concern, he said, is with keeping track of the Soviet Union's "great difficulties in competition for raw materials, natural resources, markets, dealing with instability in many areas of the world, trying to cope with the fervor of religious movements."

"I simply reject out of hand the likelihood that we could be surprised with a Pearl Harbor kind of attack," he said. "And the same pretty well holds true for the eastern front, central part of Europe," he said, except in cases of prolonged bad weather, which might hinder intelligence gathering.

In response to a question after his speech outside the meeting hall, Admiral Inman said lack of United States foreknowledge of the Argentine Government's intention to invade the Falkland Islands was illustrative of the shortcomings he ascribed to inadequate staffing.

He said that while United States intelligence was well equipped for surveillance of the Soviet Union and was adequate in assessing foreign military equipment and manpower, he believed it did "not so well" in following political and economic trends abroad and did "very poorly" in maintaining an encyclopedic knowledge of the world.

Admiral Inman called for competitive intelligence analysis, with at least two departments offering separate readings, to improve assessment of the "mosaic of tiny pieces" of information fed into the intelligence agencies.

Admiral Inman, who is 51 years old, again denied that his resignation was prompted by difficulties with William J. Casey, the Director of Central Intelligence. He said he was leaving because "there is a limit on how far you can go," continuing, "The Director of the C.I.A. is always going to be someone with political views like the President's, and this is how it should be."

"There were no policy disputes on any major issues that caused me to resign," he said. He described his working relationships with Mr. Casey as very good and said he felt that his own blunt personality and urgency in discussing problems sharply had been met with understanding.

"I could not ask for better support," he said.

He told several hundred publishers at the Fairmont Hotel that the problems of United States intelligence stemmed from two factors.

First, he said, the intelligence establishment was cut back sharply in the 1960's and 1970's after a major buildup in the 1950's, losing 40 percent of its personnel from 1964 to the mid-1970's.

He said emphasis had been placed on such intelligence assets as satellite surveillance systems, in the name of cost efficiencey, at the expense of personnel.

Secondly, he said he was concerned with damage to intelligence gathering by publication of details that revealed sources and methods. He told the publishers he disagreed with their opposition to proposed amendments to Federal law that would exempt C.I.A. papers from Freedom of Information Act disclosure requirements.

However, Admiral Inman spoke favorably of a compromise proposal by Senator John H. Chafee, Republican of Rhode Island, that would require the agency to show that disclosure would be damaging to national security before it could withhold requested papers.

Admiral Inman said creation of the intelligence oversight committees in the House and Senate had led to greater understanding of intelligence needs.

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ON PAGE A10

THE WASHINGTON POST
28 April 1982

'Lost Zest' for Bureaucratic Battles, Inman Says of Decision to Quit CIA

By Jay Mathews
Washington Post Staff Writer

SAN FRANCISCO, April 27—Standing ramrod straight and smiling before the nation's major newspaper publishers, Adm. Bobby Ray Inman, the number two man at the Central Intelligence Agency, today said he had resigned his key post because he had been through several bureaucratic hassles too many.

Inman, in his first extended public explanation of his resignation, said he could not expect to be appointed CIA director. He believed he had given his country 30 years of good service, and "I have lost any zest that I had for the bureaucratic problems," Inman said.

Praised by members of Congress and other intelligence experts as perhaps the best in his business, Inman, who is deputy director of the CIA, denied that he had quit because of any personal or policy disagreements with CIA Director William J. Casey.

"He's been an amazingly patient man with a deputy who tends to be very direct and very outspoken in public and private," Inman said.

"It has been an enormously exciting life as it has gone along," said the the admiral, widely acknowledged as a wizard of electronic spying. "But the nature of those things is that there is a limit in how far you can go."

The assembled members of the American Newspaper Publishers Association, although on record as disagreeing with Inman's efforts to cut off public access to CIA information, later rushed to congratulate him on his speech—an absorbing account of how a strange mix of global optimism, preoccupation with Vietnam and budget constraints left U.S. intelligence gatherers unable to anticipate crises like Iran.

The publishers were visibly edgy Monday when Jeane J. Kirkpatrick, U.S. ambassador to the United Nations, stretched her scheduled 20-minute talk on the intricacies of Third World politics to 45 minutes. Associated Press President Keith Fuller suggested after she left that her performance offered a clue to the general ineffectiveness of the United Nations.

But Inman got a very different response as he defended U.S. technological spying—"I reject out of hand that we could be surprised by a Pearl Harbor attack of any major kind"—and lamented the failure to have enough information and competing analysts to anticipate upheavals in the Third World.

"What is the state of the national intelligence apparatus today?" he asked. "In my view, for the problems that we're going to face in the 1980s and 1990s, I would tell you it's marginal."

Several publishers in the audience said they considered the most significant sign of Inman's distress to be his answer to Cleveland Plain Dealer publisher Thomas Vail. Vail asked the four-star admiral—the first naval intelligence officer ever to reach such a rank—what he considered the most effective intelligence organization in the world.

"Let me duck that," Inman responded.

When Tom Johnson, publisher of the Los Angeles Times, asked why he had decided to resign, Inman produced a much longer answer, which he appeared to have been thinking about for some time: "In 1980 it was my sense that that was really the time to start a second career . . . when you become an intelligence specialist, normally the highest you can aspire to is perhaps two stars by some fluke, a little more than that has come my way.

"But it is very clear in a structure in which presidents select their intelligence officers, as they properly should, they want that chief intelligence officer to be someone they know and understand."

Inman said he would have left in 1980 but "my arm was twisted severely" to help organize a rebuilding of American intelligence capabilities, a process that Inman told the publishers he thought was now well under way.

"I'd been complaining for the last four years that we weren't getting on with trying to shape a long-range program to rebuild the U.S. intelligence system, and it was a little hard to back away from the offer to at least start to shape that," he said. But, he added, "It seems that now is the right time to get off the train."

Inman got a sustained laugh from his audience in the Fairmont Hotel with his confession that he had lost enthusiasm for the bureaucratic wars.

"I would like all of you to assure me," he told the publishers, "that I am not going to find those bureaucratic problems in the private sector."

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ON PAGE 24.

CHRISTIAN SCIENCE MONITOR
28 April 1982

[redacted]

IN SHORT

President Reagan has wisely acted swiftly to allay congressional concern over the departure of Admiral Bobby R. Inman, whose professionalism was highly respected, as deputy director of central intelligence. But his task has not ended with the naming of another thoroughgoing professional, John N. McMahon, the CIA's current No. 3 man, to replace the admiral. For the buck does stop with the White House in preventing the kind of covert operations that have previously discredited the CIA — and in controlling the domestic intelligence operations that were reportedly opposed by Admiral Inman and Mr. McMahon. Senate confirmation hearings ought to bring assurances that Mr. McMahon will do his part to keep intelligence legitimate and effective.

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ON PAGE 3

THE CHRISTIAN SCIENCE MONITOR
27 April 1982

Changes at US spy agency uncover new questions

McMahon nomination likely to stir up debate on CIA activities inside the US

By Brad Knickerbocker
Staff correspondent of
The Christian Science Monitor

Washington

The Reagan administration has moved quickly to blunt the concerns and criticisms caused by the recent shift in top personnel at the Central Intelligence Agency.

But in naming a successor for Adm. Bobby Inman as CIA deputy director, the administration cannot avoid what will be an inevitable reexamination by Congress of its most significant (and in some cases controversial) intelligence policies.

Initial response to the naming of John McMahon as deputy director is positive. Admiral Inman's resignation had brought a nearly unanimous negative reaction from congressional intelligence experts of both political parties.

Sen. Henry M. Jackson (D) of Washington calls Mr. McMahon "a professional's professional . . . I've found him responsive to our questions. He's been candid and forthright."

Within the intelligence community, the new appointment is likely to be welcomed as a morale booster as the CIA attempts to rebuild an image that had been tarnished during the 1970s. McMahon is a veteran of more than 30 years with the CIA and currently serves as the agency's executive director. He has experience in all major intelligence fields.

But experience and his colleagues' regard are not the only things that will be probed as he faces the required Senate confirmation process.

Inman was liked and — more importantly — trusted by lawmakers charged with intelligence oversight responsibilities. Members of Congress found him not only unusually forthcoming, but a calming influence on important matters regarding civil liberties. It is these areas that will be of most interest on Capitol Hill, particularly since the head of the CIA (William Casey) is a political appointee who does not enjoy the confidence and affection inspired by Inman.

"It helped us to have Casey in that position," says a source active in promoting the Freedom of Information Act and protecting civil liberties. And "it helped us to have Inman on the inside," he added, referring to a recent executive order on expanded intelligence activities.

Under this presidential order signed by Ronald Reagan last December, the CIA now has the power to collect information in the United States and conduct certain domestic covert operations in support of foreign intelligence operations.

Congressional sources say Inman resisted this move (at least to the extent advocated by the White House) and worked to limit its practical effect. The extent to which this new CIA authority is being utilized and whether even greater powers will be sought no doubt will be asked of McMahon, sources on Capitol Hill say.

Also likely to be examined is a proposal within the Reagan administration to reorganize US counterintelligence activities under a new agency drawing powers from the FBI as well as CIA. Inman reportedly opposed this move.

Since the revelations concerning the CIA emerged during the Watergate period, Congress has assumed a much-increased watchdog role over intelligence matters. This underlay the high regard for Inman and continuing congressional problems for his immediate boss, CIA director Casey. Many senators did not hide the fact that their first choice for CIA chief was Inman.

"Our relations with Casey are getting better all the time," says a congressional source. "Things are progressing, but we have to make sure that the reforms of '74 and '75 continue. The public demands it."

McMahon joined the CIA shortly after his graduation from Holy Cross College in 1951. He rose through the ranks to become deputy director for operations in 1978.

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ON PAGE A5

THE BALTIMORE SUN
27 April 1982

McMahon is choice for Inman's job

Washington (AP) — The White House yesterday confirmed that President Reagan will nominate John N. McMahon, a CIA veteran who helped run the U-2 spy plane program and later managed the agency's spy network, to succeed Adm. Bobby R. Inman as deputy CIA director.

Larry M. Speakes, deputy White House press secretary, said Mr. Reagan considers Mr. McMahon, who now holds the Central Intelligence Agency's No. 3 post of executive director, "to be a solid professional, a career public servant" who is "respected throughout the intelligence community."

Members of the Senate Intelligence Committee, which will hold confirmation hearings on Mr. McMahon, had modest praise for him, but both Democrats and Republicans said he did not have the stature and clout of Admiral Inman, who was very popular with the committee.

"We'll have to work harder on oversight and ask tougher questions, because McMahon is not Inman, and there are still problems about trusting the administration in this area," said Senator David F. Durenberger, a Republican member of the committee from Minnesota.

Admiral Inman, 51, announced Wednesday that he was leaving a 30-year career in the military and intelligence to enter private business. Intelligence sources were quoted Sunday by *The New York Times* as saying President Reagan would nominate Mr. McMahon as Admiral Inman's successor.

Mr. McMahon, 52, has served in virtually every phase of CIA operations since graduating from Holy Cross in 1951 and joining the agency later that year. His first seven years were spent overseas.

In 1959, Mr. McMahon was assigned to work on the U-2 program. He later held top posts in electronic intelligence, technical services, administration and on the staff that coordinates all [illegible] agencies.

In January, 1978, Mr. McMahon became deputy director for operations in charge of the CIA's clandestine spy network. After more than three years in that job, he was named deputy director for national foreign assessments, which produces the intelligence estimates that the CIA circulates through the U.S. government.

He was promoted to the No. 3 post last January.

Representative Edward P. Boland (D, Mass.), chairman of the House Intelligence Committee, praised Mr. McMahon and said "he has won the full confidence of the committee.

"He is clearly an able professional —one of the most knowledgeable senior intelligence officers the president could have chosen. He has had managerial experience in every important CIA and intelligence community area —operations, analysis, technology and policy. He is a welcome choice," Mr. Boland said.

A spokesman for the Senate Intelligence Committee said no hearing date was set.

A spokesman for committee chairman Barry M. Goldwater (R, Ariz.) said the senator would have no comment on Mr. McMahon's nomination at this time.

But three sources close to the committee said that Mr. Goldwater would have preferred a military officer who might have had more independence from William J. Casey, CIA director, and more stature with other intelligence agencies.

These sources said Mr. Goldwater felt that such a military officer might be more willing to disagree with Mr. Casey or to alert the committee to any troublesome activities that might arise.

A spokesman for Senator Richard G. Lugar (R, Ind.), who last week called Admiral Inman's resignation a traumatic occasion, said Mr. Lugar was very pleased with the nomination, "based on the limited experience the committee has had with McMahon."

AP

JOHN N. MCMAHON

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ON PAGE S (PART II)

LOS ANGELES TIMES
27 April 1982

[redacted]

No. 2 Spook

The No. 2 man in the Central Intelligence Agency does not normally attract much public attention. Most of the time, he has been an unknown without a reputation, good or bad. But Adm. Bobby R. Inman, who resigned last week as the deputy director of the agency, did have a reputation—and a good one—and the congressional regrets over his departure were sincere.

Moving quickly because of the concern in Congress over Inman's resignation, the White House has now named a successor, John N. McMahon, the CIA's executive director and No. 3. For more than 30 years, McMahon has served in the agency, holding a variety of important posts, including the deputy director for operations, in charge of clandestine activities. He is respected by the same members of Congress who worried about Inman's departure and who advised President Reagan to choose a qualified successor. Reagan seems to have done that.

Members of Congress who deal with intelligence matters were particularly unhappy over the departure of Inman because they had come to trust him and because they had found themselves lacking overwhelming confidence in the CIA chief, William J. Casey, who had been Reagan's campaign manager. The Senate Select Committee on Intelligence, for example, has had a strained relationship with Casey, whose financial dealings were investigated last year by its members. And Casey did not create any fans by naming to a high-ranking agency job Max Hugel, a friend who was generally regarded as unqualified to direct clandestine operations, a job he held until he resigned last July.

In contrast, Inman managed to inspire respect among liberals and conservatives on Capitol Hill. One conservative member of the Senate committee, Republican Sen. Richard G. Lugar of Indiana, described Inman's resignation as traumatic and praised him for the way he kept senators informed on intelligence matters. "We looked to Admiral Inman," he said.

Others in Congress viewed Inman as the most influential moderate in the intelligence community. He often opposed attempts to relax curbs on the counterintelligence actions in the United States by the CIA and the Federal Bureau of Investigation, but the issue was revived recently when a staff member of the White House's national security staff suggested a new review of these activities.

Inman denies that the direction of policy within the Administration was the reason for his departure, saying that he had to earn more money because of high tuition costs for his children and that he was uncomfortable as No. 2. But reports persist that the internal debate over the counterintelligence proposals was at least partly responsible for his decision.

Whatever the reasons, his resignation is a loss. The Reagan Administration pulled back from more drastic ideas in issuing new guidelines for the CIA late last year but the agency did obtain formal permission to engage in some activities within the United States. Still, the Reagan order was careful not to return the agency to the days when it operated almost as a law unto itself with wide-ranging powers.

But the Administration is not through with the agency, and officials are studying the possibility of further changes. The Administration should move with caution in this area, just as it has in the past. Its decision last year, for example, to avoid the more drastic proposals for "unleashing" the CIA did reflect sound judgment. And the selection of McMahon seems to do so as well.

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ON PAGE A-14

NEW YORK TIMES
27 APRIL 1982

C.I.A. Expert for Inman Post

John Norman McMahon

By PHILIP TAUBMAN
Special to The New York Times

WASHINGTON, April 26 — John N. McMahon, who was chosen today by President Reagan to succeed Adm. Bobby R. Inman as Deputy Director of Central Intelligence, probably knows more about the operations of the Central Intelligence Agency than anyone else in Government.

Man in the News

In a 31-year career there, Mr. McMahon has been a generalist among intelligence specialists, holding senior management posts in all major divisions of the agency, including stints as head of operations and chief of analysis.

That versatility, according to Congressional and intelligence officials, is likely to be both an asset and a liability for Mr. McMahon as he takes over the nation's second most important intelligence job. His nomination is subject to Senate confirmation.

It will be an asset, they said, because Mr. McMahon is equipped to supervise all facets of American intelligence collection and analysis and has the expertise to reassure Congress that intelligence operations are being managed well.

'Team Player and Inside Man'

As a result, the Senate Select Committee on Intelligence, which has had a strained relationship with William J. Casey, the Director of Central Intelligence, and has made no secret of its preference for dealing with Admiral Inman, is expected to move quickly to approve Mr. McMahon's appointment.

His versatility, however, could prove to be a liability, the officials said, because it has left him without the independent standing necessary to be an effective advocate within the Reagan Administration for policies he supports.

"John is a consummate team player and inside man," said a former intelligence official. "The price for that is that John lacks an outside constituency and the clout that goes with it."

He is known best in the intelligence community for his management skills.

"He's a very good manager, and people like working with him," said Richard Helms, a former director of the C.I.A.

Panel Sees Need for Experience

Mr. McMahon, whom a friend described as having a face that "has the map of Ireland written all over it," is reputed to have a finely tuned sense of humor that he often uses to leaven tedious intelligence briefings.

Former intelligence officials who have worked with him say he likes to immerse himself in details and work long hours, including most weekends.

Several members of the Senate intelligence committee, after Mr. Inman's resignation was announced last week, said they thought it was essential for the White House to select an experienced intelligence officer as his replacement because Mr. Casey's work in intelligence before his appointment last year was restricted to service in World War II.

Mr. McMahon acquired his experience in some difficult times at the C.I.A. Early in 1978, he was named to head the clandestine services, officially called the Directorate of Operations, after the dismissal of hundreds of officials by the Director, Adm. Stansfield Turner. Mr. Helms and others said that Mr. McMahon moved quickly to restore morale and start rebuilding the division.

Later, when he became deputy director for intelligence, Mr. McMahon started a major reorganization of that division, creating a system of regional offices with responsibility for analyzing intelligence data for specific areas such as the Soviet Union and Central America.

In his current job as executive director, Mr. McMahon has been responsible for the day-to-day management of the agency. Unlike the Director or Deputy Director of Central Intelligence, he has had no authority over the operations of other intelligence units such as the National Security Agency or the Defense Intelligence Agency.

Assigned to Work on U-2 Spy Plane

John Norman McMahon was born July 3, 1929, in East Norwalk, Conn. He began his career at the C.I.A. in 1951 after graduating from Holy Cross College in Massachusetts. After a tour of duty overseas — the C.I.A. will not disclose where — he returned to headquarters in 1959 and was assigned to work on the secret U-2 spy plane program.

In 1965 he became deputy director of the office of special projects, which supervised the U-2 program. In 1971 he was named director of the Office of Electronic Intelligence, and he moved on to head the technical services office, which handles the design and manufacture of specialized intelligence equipment.

Before becoming director of operations, he also helped run the administrative division of the C.I.A. and the office that handles liaison with other intelligence agencies.

In a profession in which specialized knowledge is highly valued, Mr. McMahon's wide-ranging career is considered almost unique. Associates said he survived and prospered through numerous changes of command partly because he was always loyal to his superiors.

He is married and has four children, ranging in age from 17 to 28.

Little Is Known About His Positions

His policy and political positions are not well known. In the debate last year over the drafting of a Presidential executive order to govern the activities of intelligence agencies, he reportedly supported Admiral Inman's position that it would be a mistake to remove the restrictions on domestic intelligence gathering imposed by Presidents Ford and Carter.

Because he moved so quickly from job to job, Mr. McMahon did not have a chance to build a foundation of loyal support in any of the C.I.A.'s divisions, former intelligence officials said.

In addition, they said, he did not have a chance to develop a reputation outside the intelligence community. That could handicap him in policy debates, they said, because he is not well known in the White House

STATINTL

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ON PAGE A6

27 April 1982

CIA aide picked for deputy job

By Michael J. Sniffen
Associated Press

WASHINGTON — President Reagan will nominate John N. McMahon, a CIA veteran who helped run the U-2 spy plane program and later managed the agency's spy network, to succeed Adm. Bobby R. Inman as deputy CIA director, the White House announced yesterday.

Deputy White House press secretary Larry Speakes said Reagan considered McMahon, who now holds the agency's number three post of executive director, to be "a solid professional, a career public servant" respected throughout the intelligence community.

Members of the Senate Intelligence Committee, which will hold confirmation hearings on McMahon, had modest praise for him, but both Democrats and Republicans said he did not have the stature and clout of Inman, who was very popular with the committee.

"We'll have to work harder on oversight and ask tougher questions, because McMahon is not Inman, and there are still problems about trusting the administration in this area," said Sen. Dave Durenberger, a Republican member of the committee from Minnesota.

Inman, 51, announced last Wednesday that he was leaving a 30-year career in the military and intelligence to enter private business. Both Durenberger and another committee member, Sen. Joseph Biden (D., Del.), said they feared that Inman in fact was leaving over disagreements about the wisdom of policies followed by CIA Director William J. Casey.

McMahon, 52, has served in almost every phase of CIA operations since graduating from Holy Cross College in 1951 and joining the agency later that year. His first seven years were spent overseas.

In 1959, McMahon was assigned to the U-2 program. The following year a U-2 spy plane piloted by Francis Gary Powers was shot down over the Soviet Union in an incident that torpedoed a planned U.S.-Soviet summit conference.

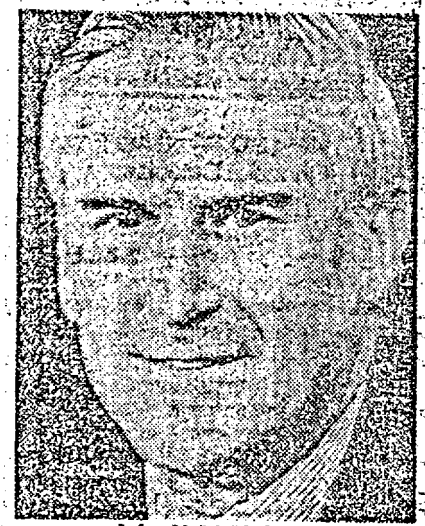
McMahon later held top posts in electronic intelligence, technical services, administration and on the staff that coordinates all U.S. intelligence agencies.

In January 1978, he became deputy director for operations in charge of the CIA's clandestine spy network. After more than three years in that job, he was named deputy director for national foreign assessments, which produces the intelligence estimates that CIA circulates through the U.S. government.

He was promoted to his present post in January of this year.

A spokesman for the Senate Intelligence Committee said no hearing date had been set.

A spokesman for committee chairman Barry Goldwater (R., Ariz.) said the senator would have no comment on McMahon's nomination at this time.



John N. McMahon
Choice for nomination

RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM Mutual News

STATION WGMS Radio
Mutual Network

DATE April 27, 1982 6:00 PM

CITY Washington, DC

SUBJECT Admiral Inman Resigns

ROBERT BURNS: Departing CIA Deputy Director Bobby Inman said today, he did not resign his post due to conflicts with his old boss, William Casey. Speaking to newspaper publishers in San Francisco, Inman said he won a few and lost a few with Casey.

BOBBY INMAN: There were lots of disagreements. A fair number of them were solved to my satisfaction, not all. But of those that were not, there were none that were matters of principle.

BURNS: Outgoing CIA Deputy Director Bobby Inman.

RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

STATINTL

FOR PUBLIC AFFAIRS STAFF

PROGRAM CBS Evening News

STATION WDVM TV
CBS Network

DATE April 27, 1982 7:00 PM

CITY Washington, DC

SUBJECT Statement by Admiral Inman

DAN RATHER: Admiral Bobby Inman, who is resigning as Deputy CIA Director told a meeting of the nation's newspaper publishers he is leaving with no ill-will.

At the meeting in San Francisco, Inman also denied that internal disputes prompted his decision to quit.

ADMIRAL BOBBY INMAN: There were no policy decisions along any major issue that caused me to resign in protest. There were lots of disagreements, a fair number of them were solved to my satisfaction -- not all. But of those that were not there were none that were matters of principle.

REUTER

27 April 1982

[redacted]

STATINTL

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AM-INMAN

BY RONALD CLARKE

SAN FRANCISCO, APRIL 27, REUTER -- AN UNABATED LEAKAGE OF INFORMATION HAS MADE MANY FOREIGN FRIENDS OF THE UNITED STATES INCREASINGLY RELUCTANT TO SHARE THEIR SECRETS, THE RETIRING DEPUTY DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY, ADMIRAL BOBBY INMAN, SAID HERE TODAY.

''THE IMPACT OF THE PSYCHOLOGY OF LEAKS, WHICH BEGAN IN FULL CRY IN THE VIETNAM CONFLICT WHEN IT WAS THE HEROIC THING TO DO SOMETHING THAT SHOWED YOUR OPPOSITION (TO THE WAR) CONTINUES UNABATED AT THIS POINT IN TIME,'' INMAN SAID.

MANY FOREIGN FRIENDS OF THE UNITED STATES WERE BECOMING INCREASINGLY RELUCTANT TO PROVIDE INFORMATION FOR FEAR IT WOULD BECOME PUBLIC, HE SAID.

ONE CAN TELL A STORY OF WHAT IS HAPPENING IN A FOREIGN EVENT WITH CARE, WITHOUT DAMAGING THIS COUNTRY'S INTELLIGENCE CAPABILITIES, HE TOLD THE ANNUAL CONFERENCE OF THE AMERICAN NEWSPAPER PUBLISHERS ASSOCATION.

''BUT IT IS FAR MORE DIFFICULT WHEN THE URGE IS THERE TO DESCRIBE HOW WE KNEW AND IT IS ALMOST IMPOSSIBLE TO DO THIS WITHOUT DAMAGING THE COUNTRY'S INTELLIGENCE GATHERING ACTIVITIES.''

REFERRING PARTLY TO SATELLITES SENT INTO SPACE TO WATCH FOR NUCLEAR WEAPONS TESTS AND MILITARY MOVEMENTS, INMAN SAID HE BELIEVED U.S. INTELLIGENCE AND WARNING SYSTEMS AGAINST A SURPRISE ATTACK WERE BETTER THAN EVER.

''I SIMPLY REJECT OUT OF HAND THE LIKELIHOOD THAT WE COULD BE SURPRISED WITH A PEARL HARBOR-KIND OF ATTACK OF ANY SUBSTANTIAL SIZE,'' HE SAID.

''AND THE SAME PRETTY WELL HOLDS TRUE FOR THE EASTERN FRONT --' THE CENTRAL FRONT OF EUROPE -- SAVE FOR CONDITIONS WHEN ONE HAS A VERY, VERY LONG PERIOD OF BAD WEATHER.''

''IF YOU BELIEVE THIS COUNTRY'S PRIMARY PROBLEM IN THE DECADE AHEAD IS GOING TO BE DEALING WITH THE SOVIET UNION LOOKING ACROSS THE CENTRAL FRONT OF EUROPE, YOU CAN RELAX ABOUT THE CURRENT CAPABILITIES OF THE U.S. INTELLIGENCE COMMUNITY AND WHERE IT NEEDS TO GO.

''IF YOU HAPPEN TO SHARE MY VIEW THAT WE ARE MUCH MORE LIKELY TO FIND THIS DECADE ONE OF GREAT DIFFICULTIES IN COMPETITION FOR RAW MATERIALS, NATURAL RESOURCES AND MARKETS AND [redacted] THEN WE HAVE A VERY LONG WAY TO GO AND NEED VERY STRONG SUPPORT

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ON PAGE A19

THE WASHINGTON POST
27 April 1982

[redacted]

STATINTL

Joseph Kraft

Pros vs. Wingers

A pervasive battle, not a single issue, underlies the resignation of Adm. Bobby Ray Inman as the No. 2 man in the Central Intelligence Agency. The battle, which is central to the Reagan administration, pits competent government professionals against ideological right-wingers.

Adm. Inman's decision to quit registers the frustration felt by the pros. To that extent it is a win for the "wingers" and it may cast a long shadow over events.

Inman himself is a professional par excellence. He has been doing intelligence work for two decades. As a former head of Naval Intelligence, he understands the military side of the business. As a former director of the National Security Agency, he is also into the technical part of the trade, particularly the interception of communications. As an official with high-level responsibilities in both the Carter and the Reagan administrations, he is familiar with the interplay of White House, congressional and bureaucratic interests.

Off not a few big issues, he has recently found himself at odds with the political leadership of the Reagan administration. Thus he does not see the Russians on the verge of collapse because of the evils of the communist system. He favors arms control proposals that are negotiable with Moscow, even if they are not a million percent different from those accepted by Jimmy Carter in the SALT II treaty. He doubts political support will long be forthcoming for a defense strategy that seeks to do everything all at once all the time. He believes it is possible to maintain effective intelligence operations without changes in domestic practice that do violence to civil liberties.

Frustration on all those issues combined with family considerations to promote Inman's decision to leave government. He submitted his resignation to the president in March. The theory was that he would slide out sometime in the summer. He would go the way professionals usually go—quietly.

But word of the resignation reached Congress. A Republican senator friendly to Inman spread it about. When inquiries came from the press, the White House announced the news. The resultant flap dictated the choice of another professional, John McMahon, as a replacement for Inman. But if the Inman problem has been laid to rest, the underlying fight it expresses goes on—especially in military and economic affairs.

At the Pentagon, Secretary of Defense Caspar Weinberger has enunciated a strategy that features developing a capacity to fight wars simultaneously in many places. The professional military men have fought back in oblique ways. Some have questioned, as pure politics, specific weapons choices—notably the decisions to build the B1 bomber and the MX missile. Others have argued for more submarines and fewer carriers. Almost all have indicated that the price tag for the kind of force required by the administration's ambitious strategy is far higher even than the $1.6 trillion programmed for the years 1982-1986.

In the economic departments, the political leadership keeps insisting that tax cuts are bound to foster investment, productivity and prosperity. The professionals keep pointing out that the tax cuts have caused deficits, which hold up interest rates and thus deter investment and productivity.

Almost all the fighting is on the inside and thus hidden from view. Still, on a couple of issues, the evidence is that the professionals are throwing in the towel to the right-wingers. In national security affairs, it seems increasingly unlikely that the administration will get together around an arms control position that looks plausible to serious observers in this country, not to mention the European allies. In the economic field, the insistence that tax cuts by themselves will set things right seems to be prevailing against the professional argument that something serious has to be done about deficits.

If so, political consequences follow. Moderate Republicans, like Vice President George Bush and Senate Majority Leader Howard Baker, are going to be in the soup within their own party. Rep. Jack Kemp, the supply-sider from Buffalo, looks more and more like the Republicans' fair-haired boy.

On the Democratic side, the tilt goes toward those with a clear-cut position in favor of a nuclear freeze and on behalf of programs that help the poor. That deals the high cards to Edward Kennedy. Thus the infighting in Washington could spread to an across-the-board ideological fight on issues that are beyond the reach of either political extreme—which, at this juncture, is what the country needs least.

ARTICLE APPEARED ON PAGE A9
THE BALTIMORE SUN
27 April 1982

After Bobby Inman

More Politics at the CIA

By John B. Keeley

Washington.

THE comings and goings of second level government officials are seldom noted and less often reported. For the most part these individuals cast thin shadows and leave no footprints. Such, however, is not the case with the resignation of Admiral Bobby Ray Inman, deputy director of the Central Intelligence Agency. The departure of Admiral Inman and the careful selection of his successor may have more to do with our future security in a troubled world and the protection of our individual freedoms than anyone can possibly conceive at this time.

How can this be so? Can one individual truly be so important? In this case, I believe that the answer is yes. Admiral Inman's departure from government is significant because of two factors: First; his personal and professional qualities as the senior professional intelligence officer of this country. Second; the attitude of the current administration toward the character and functions of intelligence within our government and society.

Admiral Inman's career as a professional intelligence officer is unique. No Navy career intelligence officer has ever risen to four stars. No military intelligence officer has had the diversity of high-level experience enjoyed by Admiral Inman. The capstones of his career were his assignments as director of the National Security Agency during the Carter administration and his present position as the CIA deputy director.

Yet, this cursory review of Mr. Inman's career does him little justice. One must understand that the intelligence community—which is comprised of the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency and elements of the Departments of State, Commerce, Energy and Justice (the FBI)—is less a community than a loose confederation of feudal baronies with multiple bosses and multiple constituencies. It is possible for a senior intelligence official to be accepted by several elements of the [illegible] tion. It is almost unheard of for an individual to be accorded almost universal regard by all elements of the intelligence community. The parochialisms of the intelligence world will nearly always insure that the higher an individual rises in any one agency the less he will be accepted by other elements of the community.

Such was not the case with Mr. Inman for a number of reasons. He has had an unequaled reputation for his professional breadth and depth, for knowledge that he articulates exceptionally well (to the delight of his congressional supporters). He has also gained a reputation for integrity and moral courage in a business where ambivalence has lifted many to the top. Beyond these primary talents, Admiral Inman has also displayed a rare ecumenism for the intelligence community as a whole. His personal qualities and professional accomplishments were so remarkable as to win him widespread recognition throughout the community as the intelligence professional *par excellence* and in Congress strong support to become the director of the Central Intelligence Agency upon the change in administrations.

Some will surely take exception to this one-sided description of the admiral. He has made mistakes and he is not liked by all. Nonetheless, the overwhelming consensus within the intelligence community would be that Mr. Inman is a remarkable man who has had an exceptionally successful career in a tough and unforgiving business. Events of the past year also gave indication that Admiral Inman has a strong sense of limits for the intrusive activities of our intelligence agencies operating within our society.

The decision by the president to nominate William Casey as the director of the CIA almost ensured the selection of Admiral Inman as his deputy. One can only speculate whether there was an understanding between the Senate Select Committee on Intelligence and the [illegible] House that the price of a Casey as director of CIA was an Inman as deputy director.

Clearly, Mr. Casey's lack of obvious qualification as director needed to be balanced by a deputy director with strong professional talents. Mr. Inman was a natural for the job.

It became quickly apparent that the Reagan administration had a different view of the character and functions of the intelligence community than that of the Carter adminstration. Intelligence was going to assume a more activist and manipulative character both at home and abroad. Intelligence was to go on the offensive against the enemies of the United States. Intelligence was going to be a servant of policy in a fashion that was counter to the tradition (some might say myth) that intelligence is to be apolitical in its functioning.

Ideally, intelligence supports the foreign policy process by providing intelligence assessments independent of and politically neutral toward the policy goals of the administration. This administration wants very much for the intelligence process to justify the political aims of the administration. The evidence is circumstantial, but convincing. The selection of Mr. Casey the president's election campaign manager, as CIA director, his elevation to Cabinet rank (the first director to be so designated) and his assumption of a number of foreign policy tasks not directly related to his CIA job were clear indications that the director was going to be much more actively involved in developing policy than previous directors.

Whatever doubts remained concerning Mr. Casey's and the administration's view of the CIA were dispelled by the appointment of Max Hugel as the director of operations within the CIA—probably the CIA's most sensitive and demanding position. The operations directorate is responsible for the clandestine and covert operations of the government. Mr. Hugel's behavior upon arrival at the CIA seriously weakened Mr. Casey's believ-

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ON PAGE 13

AVIATION WEEK & SPACE TECHNOLOGY
26 April 1982

STATINTL

Washington Roundup

Inman Resigns

Petty bureaucratic problems were cited by Adm. Bobby Ray Inman, deputy director of the Central Intelligence Agency, as the primary reason for his Mar. 22 resignation, which was revealed by the White House last week. He said he had left his previous post as head of the National Security Agency for the CIA reluctantly. "The idea of **going back to do a lot of staff functions that deal with petty bureaucratic problems was not awfully attractive,**" the four-star admiral said. "My tolerance for all of that had been exhausted, and I had done what I set out to do: lay out a long range program of where the intelligence community ought to go and how to get there. Beyond that, it just frankly wasn't fun enough to compensate for the frustrations." Inman intends to work in private business. He considers that his role in the future as a "goad" to stimulate awareness of high technology loss to the Soviets (AW&ST Apr. 5, p. 24) depends on what he does in the private sector. —Washington Staff

ARTICLE APPEARED
ON PAGE 34

PHILADELPHIA INQUIRER
26 APRIL 1982

[redacted]

National and International News in Brief

A CIA veteran has been selected to be its deputy director.

Sen. Henry M. Jackson (D., Wash.) said yesterday that a veteran professional in the CIA has been chosen to succeed Adm. Bobby R. Inman as deputy director. "A replacement has been agreed on. His name will be formally announced tomorrow [today]," Jackson said. He described Inman's replacement as a "career man" who has been in the service 31 years. He said he had agreed not to identify Inman's replacement before the official announcement. Sources have said the top contender is the agency's number-three man, John McMahon, 52, now executive director but formerly head of clandestine operations during the Carter administration.

A Long Island estate is a KGB listening post, a documentary says.

A Soviet-owned estate in Glen Cove, N.Y., serves not just as a recreational facility for Soviet personnel assigned to the United Nations but also as an electronic eavesdropping post, according to a television documentary on the KGB. The 13-part Canadian-produced series is scheduled to have its U.S. premiere tonight on "Independent Network News," a program carried by more than 70 U.S. television stations unaffiliated with the three major networks.

[redacted]

UP01B

26 April 1982

R W

CIA

BY DANIEL F. GILMORE

WASHINGTON (UPI) -- THE WHITE HOUSE HAS SELECTED JOHN MCMAHON, A VETERAN INTELLIGENCE PROFESSIONAL, TO TAKE OVER THE NO. 2 SPOT IN THE CIA, ADMINISTRATION SOURCES SAID MONDAY.

MCMAHON, 52, A CIA OFFICIAL FOR 31 YEARS AND ITS CURRENT EXECUTIVE DIRECTOR, WILL REPLACE HIGHLY REGARDED ADM. BOBBY RAY INMAN WHO RESIGNED AS DEPUTY DIRECTOR OF THE AGENCY TO SEEK A NEW CAREER IN CIVILIAN LIFE.

IT WAS CLEAR THE ADMINISTRATION HEEDED OUTSPOKEN CONGRESSIONAL ADVICE THAT CAPITOL HILL WOULD INSIST ON A "FIRST RATE REPLACEMENT" FOR INMAN IN VIEW OF ITS LESS THAN ENTHUSIASTIC SUPPORT FOR CIA DIRECTOR WILLIAM CASEY, WHO IS REGARDED AS A POLITICAL, RATHER THAN PROFESSIONAL, APPOINTMENT.

THE FINAL CHOICE WAS SAID TO HAVE NARROWED BETWEEN MCMAHON AND GEN. LEW ALLEN, THE AIR FORCE CHIEF OF STAFF WHO IS RETIRING FROM THAT POST IN JUNE.

MCMAHON APPARENTLY WON HANDS DOWN IN VIEW OF HIS IMPRESSIVE INTELLIGENCE BACKGOUND AND HIS WIDE SUPPORT ON CAPITOL HILL.

"MR. MCMAHON WAS THE ONLY, AND I REPEAT, ONLY, APPOINTMENT I WOULD HAVE FOUND ACCEPTABLE," SAID SEN. DANIEL PATRICK MOYNIHAN, D-N.Y., WHO IS VICE CHAIRMAN OF THE SELECT COMMITTEE ON INTELLIGENCE.

MCMAHON, CURRENTLY NO. 3 IN THE CIA HIERACHY, HAS SERVED IN EVERY IMPORTANT DEPARTMENT OF THE AGENCY, IN THE FIELD OVERSEAS AND FOR A PERIOD IN 1977-78 AS ACTING DEPUTY DIRECTOR.

PRESIDENT REAGAN WILL HAVE TO SUBMIT MCMAHON'S NOMINATION TO THE SENATE FOR CONFIRMATION, NOW EXPECTED TO BE A FORMALITY.

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ON PAGE 44.

WALL STREET JOURNAL
26 April 1982

McMahon Is Expected To Be Named to CIA Post

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—John McMahon, a career intelligence officer, is expected to be nominated as deputy director of the Central Intelligence Agency, administration officials said.

Mr. McMahon currently is executive director of the agency. In that job, he has been handling many of the details of daily agency operations, intelligence officials said.

Mr. McMahon would succeed Adm. Bobby Inman, who announced last week that he is resigning the Number 2 post at the CIA. Adm. Inman is quitting partly because of a dispute over Reagan administration plans to begin a study that could significantly expand counterintelligent activities in the U.S.

Word of Mr. McMahon's nomination came yesterday from Sen. Henry Jackson (D., Wash.), on CBA-TV's "Face the Nation." Sen. Jackson said a formal announcement was expected today, but only hinted about the identity of the nominee. He described the nominee as "a career man" with the CIA "who has been in the service some 31 years." Mr. Jackson, a member of the Senate Select Committee on Intelligence, said the panel respected the nominee and predicted he would boost morale at the agency.

Swift Senate approval of Mr. McMahon's nomination is expected.

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NEW YORK DAILY NEWS
26 April 1982

Civilian in Inman's CIA post

By LARS-ERIK NELSON

Washington (News Bureau)—President Reagan has chosen John N. McMahon, a 31-year veteran of the Central Intelligence Agency, to succeed Adm. Bobby Inman as deputy director of the agency under William Casey, sources said yesterday.

McMahon, currently director of intelligence, the analytical side of the CIA, is a former clandestine operative. The appointment marks the first time in the recent history of the CIA that both top jobs have been held by civilians, an official said.

McMahon, a ruddy-faced Irish charmer with thinning blond hair, was chosen partly because it was felt he would be reassuring to members of the Senate who were dismayed by Inman's abrupt resignation.

Many senators regarded Inman, former director of the super-secret, code-breaking National Security Agency, as a highly professional brake on Casey and a number of amateur cloak-and-dagger operators in the Reagan administration.

"He's a very decent guy, but he's no Inman," one official said. "He's the kind of guy who goes along with his superiors. He's not known for the independence of his views."

A former Jimmy Carter administration official predicted that McMahon would be reassuring to the Congress but said, "He really is a bureaucrat. He will do as he is told."

Inman resigned in part for personal reasons and in part because of a reported series of running battles against the administration's desire to involve the CIA more deeply in domestic counter-intelligence. He angered some Reagan officials by giving only lukewarm support to their plans when he appeared before Congress.

THE WASHINGTON POST
26 April 1982

[redacted]

CIA Veteran To Be Given Inman's Job

By Lou Cannon
Washington Post Staff Writer

John N. McMahon, a 31-year-veteran of the Central Intelligence Agency, will be named today as deputy director to succeed Adm. Bobby Ray Inman, who is retiring, administration sources said yesterday.

The selection of McMahon, who now heads the CIA's foreign assessment division, is expected to mollify members of the Senate Intelligence Committee, who have been openly skeptical about the expertise of CIA Director William J. Casey.

Reflecting these concerns, Sen. Richard G. Lugar (R-Ind.), a key committee member, said last week that Inman's abrupt announcement of resignation had created "a rather traumatic situation" in the agency.

Lugar called a press conference to express his reservations about Casey and urged the administration to consult with the Senate committee before it selected a successor to Inman. The Indiana senator said that he was trying "to send some signals" to the White House.

These signals were heard by President Reagan and top aides, led by national security adviser William P. Clark. Administration sources said that McMahon, who also has Casey's confidence, was a unanimous choice in the administration, especially after senators, including Lugar and Henry M. Jackson (D-Wash.), passed the word that the choice was fully acceptable to them.

Jackson, without mentioning McMahon's name, said yesterday on "Face the Nation" (CBS, WDVM) that the appointment would be popular with Congress.

"I think he is a first-rate professional and will help the morale within the professional service because he has been selected out of the professional service," Jackson said.

McMahon, 52, a graduate of Holy Cross, joined the CIA in 1951 and has a wide range of experience in administrative, operational, scientific and technical positions in the agency. Midway in the Carter administration, he was appointed deputy director for operations, making him chief of CIA covert activities.

Last April, Casey named a political crony, Max Hugel, as deputy director for operations and McMahon took over as the director of the agency's National Foreign Assessment Center, an important position in which he was responsible for the production of finished intelligence.

On July 14, Hugel was forced to resign in the wake of reports that he had engaged in questionable stock market dealings. Ever since, some members of the Senate Intelligence Committee, led by Chairman Barry Goldwater (R-Ariz.), have been openly questioning Casey's judgment and abilities.

McMahon has the reputation in the CIA as being an extremely competent technician. Nonetheless, he will have big shoes to fill in his new assignment.

Inman, also well qualified technically, enjoyed an unusual measure of bipartisan confidence in Congress, and is given credit both in the CIA and outside of it for helping to restore the image of an agency that was badly damaged by the disclosures of the Vietnam and Watergate years. Before joining the CIA, Inman was director of the National Security Agency.

Inman's presence in the No. 2 spot throughout the Reagan administration helped to quiet persistent congressional concerns about Casey. Unless McMahon can take over this role, there is likely to be renewed demand from senators knowledgeable in intelligence matters that Reagan find himself a new CIA director.

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ON PAGE A-12

NEW YORK TIMES
26 APRIL 1982

No. 3 C.I.A. Official Called A Likely Successor to Inman

By BERNARD WEINRAUB
Special to The New York Times

WASHINGTON, April 25 — President Reagan plans to appoint John N. McMahon, executive director of the Central Intelligence Agency, to the No. 2 job in the agency, relacing Adm. Bobby R. Inman, who resigned last week, intelligence sources said today.

Mr. McMahon, who presently holds the No. 3 job in the agency, is a 52-year-old career officer who has spent more than 30 years at the C.I.A. Officials at the agency and on Capitol Hill said that he has worked in virtually all areas of the agency, including the operational and scientific side.

Mr. McMahon's scheduled appointment as Deputy Director of Central Intelligence under William J.Casey, the Director, follows Admiral Inman's resignation Wednesday. That was tied, in part, to a possible reorganization of counterintelligence operations, according to Administration officials. Admiral Inman, who was popular on Capitol Hill, opposed that review, fearing it might lead to a consolidation of counter-intelligence responsibility in a new and powerful organization with authority to collect information in the United States.

A ranking Administration official said today that President Reagan had planned to delay the selection of Admiral Inman's successor. But the expressions of concern by Senator Richard G. Lugar, Republican of Indiana, a member of the Select Committee on Intelligence, about the impact of Admiral Inman's resignation led Mr. Reagan to expedite the appointment.

Although several Senators on the committee declined today to discuss the details of Mr. McMahon's scheduled promotion to the job of Deputy Director of the C.I.A., the official was lauded for his experience and skill. The appointment will face Senate confirmation.

'A First-Rate Pro'

"He's a first-rate pro, highly regarded," said Senator Henry M. Jackson, Democrat of Washington. "He's been through the hoop at the agency, knows the ins and outs, has a good technical background and knows the broad policy issues." The appointment "should help strengthen the morale in the intelligence community," Mr. Jackson said. The Senator, who spoke on the phone from his home in Washington, would not identify Mr. McMahon as the candidate even though he commented on his qualities at length.

Senator Daniel Patrick Moynihan, Democrat of New York, vice chairman of the committee, said: "Mr. McMahon was the only, and I repeat, only, appointment I would have found acceptable."

Intelligence sources said that the only other serious contender for the job was Gen. Lew Allen Jr., Chief of Staff of the Air Force. The sources said that President Reagan and Mr. Casey felt it was important to name an experienced C.I.A. official quickly to blunt the controversy stirred by Mr. Inman's resignation. Beyond this, officials said the Administration wanted to avoid a possible Senate fight over the nomination. At this point, officials say, the Administration expects the Senate to approve Mr. McMahon without difficulty.

Reached in Massena, N.Y., near Watertown, where he was campaigning for re-election, Senator Moynihan said the committee had had a "troubled 16-month relationship" with the Reagan Administration over some of its C.I.A. appointments, notably that of Max C. Hugel. Mr. Hugel was chief of clandestine operations at the agency until last July when he resigned in the wake of allegations that he had participated in fraudulent securities transactions when he managed an electronics business in the 1970's. He denied the allegations.

"The committee looked with ext reliance on Admiral Inman be ause he was a nonpolitical and professional intelligence officer," Senator Moynihan said. "Frankly, we would not have been able to accept someone either from the political world or the military world who had no real intelligence experience."

Senator Moynihan said of Mr. McMahon: "I do not anticipate any problem with his appointment."

Senator Jackson said that he expected the White House to announce the appointment Monday, a point on which White House officials declined to comment.

Held Agency Science Posts

Mr. McMahon has held his current job as executive director of the C.I.A. since Jan. 4. Essentially, the job involves running the day-to-day operations of the agency. Mr. McMahon's recent jobs have included deputy director of the National Foreign Assessment Center, the agency's analytical branch. In the mid-1970's, he was deputy director for operations, and he has also served in science and technology posts in his 31 years at the C.I.A.

Stanley Sporkin, the agency's general counsel, said in a telephone interview today that Mr. McMahon was a "very fine, very solid, extremely smart person who knows the business." Mr. Sporkin described Mr. McMahon as a "very good administrator and very effective person."

Admiral Inman's resignation was apparently prompted by a number of clashes with the White House and sharpening disagreement over the direction of the Administration's policies on intelligence-gathering and foreign affairs. Earlier this year President Reagan approved the proposal to conduct a comprehensive review of counterintelligence policy and reorganization. This review was opposed by Admiral Inman, Administration officials said, partly out of concern that it would open the way for a new, and unnecessary, organization to deal with counter-intelligence.

BALTIMORE NEWS-AMERICAN
26 April 1982

Inman's traumatic departure

The uproar that has greeted the reluctant resignation of Adm. Bobby R. Inman as Deputy Director of Central Intelligence is understandable and appropriate. It focuses attention on a striking lack of public confidence in the CIA in general and in particular on its director, William J. Casey. And it underscores the importance of President Reagan's selection of a successor.

Inman's departure was prompted by several factors, including "steadily diminishing tolerance for petty bureaucratic intrigue." While his role in keeping a firm hand on the CIA's desire to engage in domestic spying has been well reported, his greater contribution in the past 15 months may well have been that he guaranteed the public a degree of competence by the much-maligned agency. It is a grievous error for the president to allow "this petty bureaucratic intrigue" in his administration to reach a level where it is driving out people of Inman's caliber.

This much is clear: Casey does not have the confidence either his agency or the people to whom the CIA reports. He is "a fine man, honest ... A real spy when he was with the Office of Strategic Service (OSS), a real guy with the dagger," Goldwater said. "But we do it differently now and he is no pro."

Sen. Richard Lugar, the Indiana Republican, has added his influential voice to the uproar. His conclusion that this is "a traumatic situation" is an understatement. The future usefulness of the CIA requires that Inman's successor be a person of similar intelligence, expertise and common sense. The president will have difficulty finding such a person. But he has no alternative

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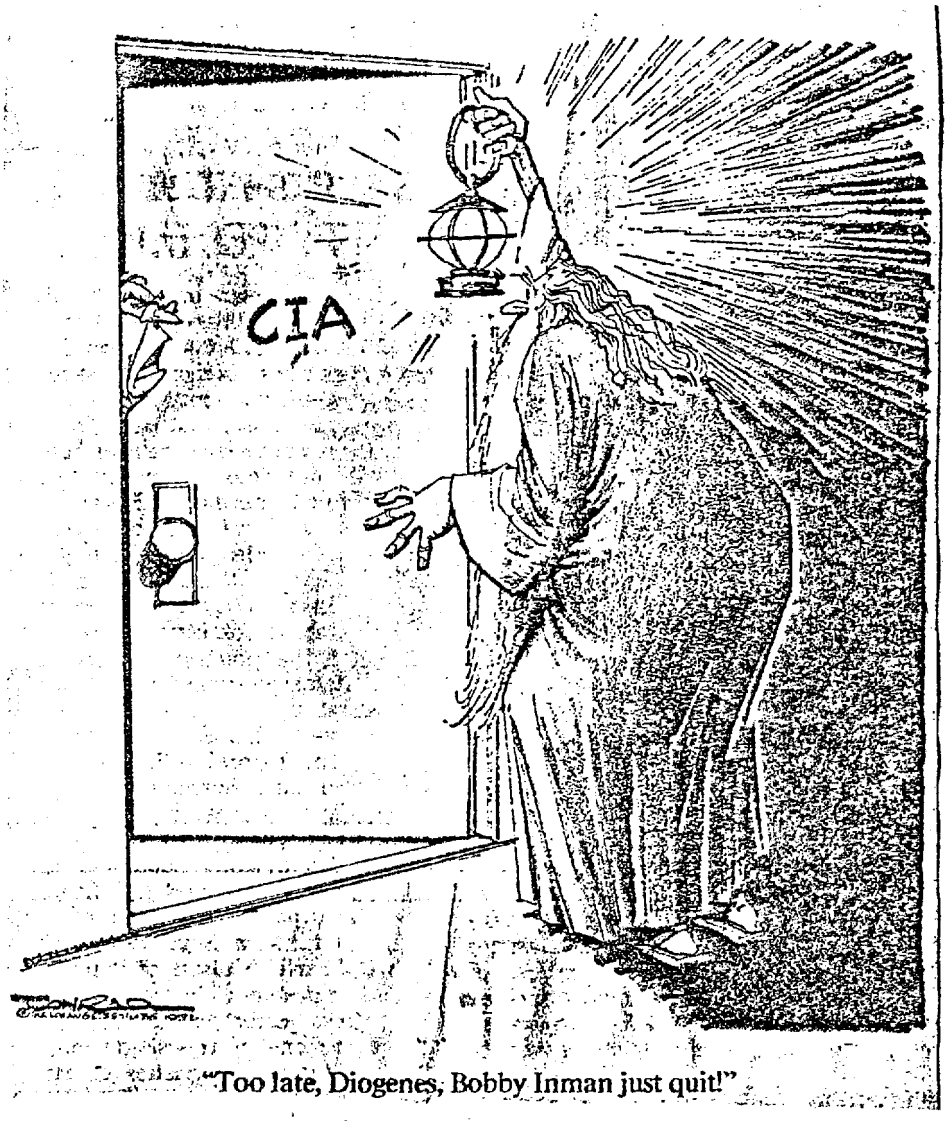
LOS ANGELES TIMES
26 April 1982



"Too late, Diogenes, Bobby Inman just quit!"

Approved For Release 2001/03/07 : CIA-RDP91-00901R000500250009-0

HONOLULU ADVERTISER/STAR BULLETIN
25 April 1982

Inman out

A "spooky" resignation

It will be hard to replace Bobby Ray Inman, the four-star admiral with 30 years intelligence experience, who resigned unexpectedly as second in command of the Central Intelligence Agency.

Widely respected by both political conservatives and liberals, Inman was being promoted as CIA director when the appointment went instead to President Reagan's friend and campaign manager, William Casey.

THINGS ARE NOT always as they seem in the murky world of spies and spooks so the complete story of Inman's departure may never be known.

One theory is he resigned over a counter-intelligence survey ordered by Reagan that would look into Inman's tenure as director, under Jimmy Carter, of the National Security Agency, the mammoth electronic intelligence arm of the federal government.

Another view is that Inman was reluctant to take the number two post in the CIA to begin with and became unhappier with defending policies he had opposed in rare public statements.

Early last year the 51-year-old admiral spoke against Reagan administration plans to "unleash" the CIA by eliminating restrictions on domestic spying and other questionable activities.

"I would not elect to carelessly walk away from the safeguards we have so carefully crafted together," Inman said. "These rules are to protect U.S. citizens, not anyone else, and I believe that we need to continue to protect them."

Bobby Ray Inman

MANY SAW Inman, called "the conscience of the CIA," as a bulwark against spy agency excesses. This especially after approval of a new charter — satisfactory neither to hardliners nor civil libertarians — which allows some domestic operations.

Members of the Senate Intelligence Committee have warned the White House they still lack confidence in Casey. An investigation of past business practices found him "not unfit" to be CIA director, but his experience is limited.

Thus for the good of the agency and the country, Casey's new deputy should be an intelligence pro and not another political appointee.

[redacted]

25 April 1982

BH

JACKSON

BY MICHAEL J. SNIFFEN

WASHINGTON (AP) -- PRESIDENT REAGAN IS EXPECTED TO NAME A CAREER INTELLIGENCE OFFICER, JOHN MCMAHON, TO REPLACE ADM. BOBBY R. INMAN AS DEPUTY CIA DIRECTOR, ADMINISTRATION SOURCES SAID SUNDAY.

SOURCES WHO ASKED NOT TO BE IDENTIFIED SAID THE ANNOUNCEMENT OF REAGAN'S CHOICE OF MCMAHON, A 24-YEAR VETERAN OF THE AGENCY, COULD COME AS EARLY AS MONDAY.

FIRST WORD THAT A DECISION HAD BEEN MADE CAME FROM SEN. HENRY JACKSON, D-WASH., A MEMBER OF THE SENATE INTELLIGENCE COMMITTEE. JACKSON SAID ON CBS-TV'S ''FACE THE NATION'' THAT A VETERAN CAREER OFFICIAL WOULD BE NAMED.

MCMAHON, 52, IS NOW THE NO. 3 MAN IN THE CIA, HOLDING THE POST OF EXECUTIVE DIRECTOR. PREVIOUSLY, HE HAD RUN THE AGENCY'S NATIONAL FOREIGN ASSESSMENTS CENTER, WHICH PRODUCES INTELLIGENCE ESTIMATES FOR GOVERNMENT. DURING THE CARTER ADMINISTRATION, HE WAS DEPUTY DIRECTOR FOR OPERATIONS, IN CHARGE OF THE AGENCY'S CLANDESTINE SPY NETWORK.

MCMAHON ALSO HAS EXPERIENCE IN THE CIA'S ADMINISTRATIVE DIVISION AND IN ITS SCIENTIFIC AND TECHNICAL DIVISION.

INTELLIGENCE COMMUNITY SOURCES SAY MCMAHON IS A TOP-NOTCH ADMINISTRATOR WITH A BROAD RANGE OF EXPERIENCE IN THE INTELLIGENCE BUSINESS. ONE SOURCE SAID THERE HAD NEVER BEFORE BEEN A DEPUTY DIRECTOR WITH AS BROAD A RANGE OF BACKGROUND AS MCMAHON. THIS SOURCE SAID HIS SELECTION WOULD ''GIVE A TREMENDOUS BOOST TO AGENTS IN THE FIELD.''

TRADITIONALLY, ONE OF THE TWO TOP JOBS IN THE CIA HAS GONE TO A MILITARY OFFICER BUT THAT HAS NOT ALWAYS BEEN THE CASE. WHEN VICE PRESIDENT GEORGE BUSH HEADED THE CIA DURING THE FORD ADMINISTRATION, HIS DEPUTY WAS A CAREER CIA MAN RATHER THAN A MILITARY OFFICER.

AS RECENTLY AS FRIDAY, WHITE HOUSE OFFICIALS HAD INDICATED THAT A SUCCESSOR FOR INMAN, WHOSE RESIGNATION WAS ANNOUNCED WEDNESDAY, WAS A WEEK TO 10 DAYS AWAY. SEVERAL OTHER MEMBERS OF THE SENATE INTELLIGENCE COMMITTEE EXPRESSED SURPRISE AT JACKSON'S REMARKS, SAYING THEY TOO THOUGHT AN ANNOUNCEMENT WAS NOT THAT IMMINENT.

SEN. RICHARD LUGAR, ONE OF PRESIDENT REAGAN'S STRONGEST SUPPORTERS, SAID FRIDAY THAT THE SENATE INTELLIGENCE COMMITTEE WANTED A ROLE IN PICKING A SUCCESSOR TO INMAN, WHO HAS BEEN VERY POPULAR WITH THE COMMITTEE.

''I'M FRANKLY TRYING TO ENGENDER A DIALOGUE AND SEND SOME SIGNALS'' TO THE WHITE HOUSE, THE INDIANA REPUBLICAN TOLD REPORTERS. ''THIS IS A [illegible]

AP-WX-04-25-82 1613EST

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RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM ABC World News Tonight STATION WJLA-TV
ABC Network

DATE April 25, 1982 6:30 P.M. CITY Washington, D.C.

SUBJECT McMahon Likely Replacement for Inman

SAM DONALDSON: ABC's John Scali reports that career intelligence officer John McMahon appears likely to replace Admiral Bobby Ray Inman as Deputy Director of the CIA. His resignation was announced last week. McMahon is now the number three man in the CIA. His official title is Executive Director of the agency, and he was head of clandestine operations during the Carter Administration.

Appointment of McMahon would end a tradition of having a military man as one of the two top men at the CIA.

[redacted]

RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM CBS Evening News

STATION WDVM-TV
CBS Network

DATE April 25, 1982 6:00 P.M.

CITY Washington, D.C.

SUBJECT McMahon May Replace Admiral Inman

MORTON DEAN: CBS News has learned that the White House plans to name John McMahon, a career CIA officer with a low public profile, as the agency's new Deputy Director. McMahon is currently the number three man at the CIA, and he would be replacing Admiral Bobby Inman, who announced his resignation from the number two spot last week.

Inman, among other things, was reported unhappy about a possible reorganization of counterintelligence operations. Inman's resignation made many members of Congress unhappy. And coupled with their unhappiness with CIA Director William Casey, it is uncertain whether McMahon will have confirmation problems, even though McMahon himself has no known opponents in Congress.

RADIO TV REPORTS, INC.
4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM Face the Nation STATION WDVM-TV CBS Network

DATE April 25, 1982 11:30 A.M. CITY Washington, D.C.

SUBJECT Interview with Senator Henry Jackson

ANNOUNCER: From CBS News Washington, a spontaneous and unrehearsed news interview on Face the Nation with Senator Henry Jackson, Democrat of Washington and a member of the Armed Services and Intelligence Committees.

Senator Jackson will be questioned by CBS News diplomatic correspondent Robert Pierpoint, by Lars Eric Nelson, Washington Bureau Chief for the New York Daily News, and by the moderator, CBS News correspondent George Herman.

[Reports on Falkland Islands Developments]

GEORGE HERMAN: Well, Senator Jackson, that is what we know as of this moment. So I guess my first question has to be this: Would you think, at this point, a major armed military clash is inevitable? Or is there still time for the diplomats to turn this thing around towards peace?

SENATOR HENRY JACKSON: I think we're virtually at the end of the road, Mr. Herman, It's clear that we have tried to play the role of honest broker. We will now have to decide whether we'll make this last-ditch effort today to go to London. And if that fails, then the next decision will be, which direction does the United States go in this conflict? Not military intervention, but I think there'll be a clear tilt to Britain.

* * *

HERMAN: Senator Jackson, in the last few moments in this fast-moving story there's been still another development, and that is this: that the junta in Argentina has made an announcement to its people, has put this story officially on the

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NEW YORK TIMES
25 APRIL 1982

Casey Holds Some High Cards, but He Also H

After Bobby Inm
Whither the C. I

By PHILIP TAUBMAN

WASHINGTON — According to the current incumbent, William J. Casey, to be successful the Director of Central Intelligence must maintain good relations with four groups: his own staff, Congressional oversight committees, senior government officials who receive intelligence data and friendly foreign intelligence services. By that measure, Mr. Casey said recently, his own performance should be considered good.

His assessment will probably soon be put to the test in the wake of last week's surprise announcement by the White House that Adm. Bobby R. Inman, the Deputy Director of Central Intelligence, plans to quit later this year to go into private business. A number of senior government officials believe that Admiral Inman's expertise and eloquence have diverted attention from trouble in the agency and kept his boss from looking bad. "I'll tell you one thing," said Senator Joseph R. Biden Jr., Democrat of Delaware and a member of the Senate Intelligence Committee, "The wrong guy is leaving."

Associates of Admiral Inman, challenging the official explanation, said the resignation was prompted by a series of clashes with the White House and mounting frustration over the direction of the Administration's policies.

There is a general consensus in the intelligence community that Admiral Inman, who watched over electronic intelligence collection, has played a crucial role in the day-to-day management of the agency and in dealings with the outside world. Mr. Casey, who received his intelligence baptism running American agents behind German lines in World War II, concentrated on rebuilding the agency's clandestine operations division and oversaw the preparation of national intelligence estimates.

In several major intelligence policy debates, including the drafting of an executive order governing the activities of intelligence agencies, Mr. Inman advocated positions that were often sharply at variance with the views of Mr. Casey and other senior national security officials. He fought, for example, to maintain the controls on domestic intelligence gathering that had been imposed by Presidents Ford and Carter.

Despite his reputation as a comparative dove, Admiral Inman was called upon by the White

Associated Press

Admiral Bobby R. Inman

House last month to present the Administration's case to the public about Soviet and Cuban interference in Central America. When the House or Senate intelligence committees demanded information, it was usually Admiral Inman who briefed the members in a precise, satisfying style. Mr. Casey, by contrast, infuriated the Congressmen with answers they considered imprecise and evasive. In a press conference Friday, Senator Richard G. Lugar, Republican of Indiana and a member of the intelligence panel, complained that Mr. Casey still doesn't know the ins and out of his agency's operations, maintaining that "there are complexities that would take more years to understand than Casey will be alive."

Mr. Casey's relations with the committee were further poisoned by its investigation last year into his personal financial dealings and the demand of several senators, including chairman Barry M. Goldwater, Republican of Arizona, that he resign. The committee eventually concluded that Mr. Casey was "not unfit" to serve as the agency's director.

Fears of Politicization

Mr. Inman's departure will likely magnify some of Mr. Casey's problems. For one thing, Mr. Casey cannot shake his image as something of a wheeler-dealer, and critics such as Senator Biden fear that he will plunge the agency into swashbuckling overseas operations that may not be carefully planned.

CONTINUED

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NEW YORK DAILY NEWS
25 April 1982

CIA loses 'Mr. In
in Inman

By JOSEPH VOLZ

Washington (News Bureau)—Two years ago, Adm. Bobby R. Inman, the head of the National Security Agency, passed the White House and went straight to Attorney General Benjamin Civiletti after learning that Billy Carter was about to receive $200,000 from the Libyans.

Last Wednesday, Inman said he was quitting his current job as director of the Central Intelligence Agency, and it appeared that his concern over CIA plans for domestic spying was one of the reasons.

Did either move by Inman, known as "Mr. Integrity," suggest an improvement in the way the government is run. Probably not.

Inman's run around CIA Director Stansfield Turner in the Billy Carter case was futile. Civiletti sat on the information, and did not inform Justice Department officials investigating whether Carter had violated the Foreign Agents Registration Act.

THERE IS NO SIGN Inman's insistence that the CIA stay out of domestic spying will be heeded by President Reagan or by CIA Director William J. Casey. Reagan has signed an executive order allowing the CIA to collect "significant" intelligence information from Americans at home.

From the beginning of the CIA after World War II, policymakers worried that the agency might become one of secret police spying on Americans. Inman said during last year's debate over formulation of a new agency policy, "These rules are to protect U.S. citizens, not anyone else, and I believe that we need to continue to protect them."

It now seems clear the agency will expand its counterintelligence operations in the United States. The counterintelligence unit in the 1950s and 1960s was headed by James J. Angleton, who was forced out in the mid-1970s in a power struggle with CIA Director William Colby. The counterintelligence section, responsible for insuring the agency is not infiltrated by Soviet agents, was cut back.

citizens, not anyone else, and I believe that we need to continue to protect them.'

—Adm. Bobby R. Inman
(During debate over new agency policy.)

Inman's departure may have even deeper significance for the CIA. He was a professional devoted to providing and assessing information without political bias. He did not tailor the intelligence he received for the President or any of the members of the National Security Council.

THE CIA ALSO IS said to be cranking up its covert operations branch again, after a period of quiet during the Ford and Carter administrations. Turner was no fan of covert operations and forced hundreds of spooks into retirement in 1977 and 1978.

In a pointed warning to the administration last Friday, Sen. Richard Lugar (R-Ind.), a member of the Senate Intelligence Committee, said that Inman's successor at the CIA "needs to be" someone who has the complete confidence of Congress.

"The President needs to have his man in this situation and, in a very real sense, we on the Senate committee have looked to Inman—he's been our man," Lugar said. The leadership of Casey and Inman at the CIA insured "a system of checks and balances" important in the wake of disclosure of CIA abuses in the 1970s, Lugar said.

"That team is being broken up and it is going to take some time to put something like that together again."

A GOOD MANY CIA operations quickly become too big to hide. The secret war in Laos in the 1960s didn't stay secret for long. The United States might as well have sent the 82d Airborne in to help the CIA-financed tribesmen fight Communist guerrillas.

The CIA has improved its ability to conduct covert operations since then by getting Congress to abolish the law that forced the agency to inform eight separate legislative committees when it began an operation. Now only the Senate and House panels need to know—and in the case of the more influential Senate Intelligence Committee, it's almost like telling a member of the family. The new staff director of the panel is a former CIA operations officer in the Far East.

Whether the increase in CIA activity that the Reagan administration envisions will improve U.S. intelligence is not clear. That will depend on the professionals handling spy networks abroad, analyzing data, both secret and public, and the technocrats putting up spy satellites. If they do their jobs the way Inman envisioned, we may never know whether they succeeded or failed.

Four in Running For Inman's Job

NEW YORK, April 24 (UPI)—Three military officials and a career CIA official are under consideration to replace Bobby Ray Inman as deputy director of the CIA, the vice chairman of the Senate Intelligence Committee said today.

Sen. Daniel Patrick Moynihan (D-N.Y.) stressed the need for a capable replacement for Inman, who resigned last week. He would not identify the four candidates.

"The person brought in must be professional in the field of intelligence," the senator said.

EDITOR & PUBLISHER STATINTL
24 APR 71

Record turnout predicted for ANPA convention

Close to 3,000 people are expected to attend the American Newspaper Publishers Association's 96th annual convention in San Francisco, April 26-28, at the Fairmont Hotel.

"We're expecting a record turnout," said William Schabacker, ANPA's manager of public affairs, who based his statement on the "pretty sizeable" preregistration for the convention.

"The program is pretty much balanced in all areas of interest," he added.

To put everybody in a conventioneering frame of mind, EDITOR & PUBLISHER will start things off on Monday, April 26, with its traditional Eye Opener at 7 A.M. in the Grand Ballroom Lounge.

In the Grand Ballroom itself, *Oakland Tribune* and *East Bay Today* will give a slide presentation on the attractions of the Bay Area.

The General Session begins at 7:30 a.m. with a welcome from Dianne Feinstein, Mayor of San Francisco.

Katharine Graham, chairman of the ANPA and of the Washington Post Co., will deliver the keynote address on the state of the newspaper industry. Mrs. Graham, who was ANPA's first woman chairman and president, is completing her two-year term of office.

Senator Edward Kennedy (D-Mass.) and Representative Thomas P. O'Neill Jr. (D-Mass.), who is Speaker of the House, will follow Mrs. Graham.

AP Elections

The Associated Press meeting, scheduled for 10 a.m., will feature an address by Jeane Kirkpatrick, United States Permanent Representative to the United Nations.

Jack Tarver, who is stepping down as AP chairman, and Keith Fuller, AP president and general manager, will also speak.

Three AP bureau chiefs, Tom Fenton from Santiago, Victoria Graham from Peking, and Larry Heinzerling from Frankfort, will give reports at the meeting.

AP will hold its election of directors on Monday morning.

Twelve candidates are vying for six seats. There are 20 elected members in all on the AP board.

Those elected serve for three years and may seek re-election for another three years.

Incumbents running for re-election as AP directors are Robert G. Marbut, president of Harte-Hanks Communications; Robert Ahern, publisher of *Worcester* (Mass.) *Telegram* and *Gazette*; John F. McGee, president of *Charleston* (W.Va.) *Augusta* (Ga.) *Chronicle* and *Herald*; and Charles Roe, publisher of *Fredericksburg* (Va.) *Freelance-Star*.

New nominees for AP directors are Joe R. Seacrest, president of *Lincoln* (Neb.) *Journal*, and George Wilson, publisher of *Concord Monitor* in New Hampshire.

Previous nominees seeking election this year are James Burgess, executive vicepresident of Lee Enterprises; Catherine Fanning, publisher of *Anchorage* (Ak.) *Daily News*; James Ottaway Jr., president of Ottaway Newspapers; Darrow Tully, publisher of *Arizona Republic* and *Phoenix Gazette*; and A.L. Alford Jr., publisher of *Lewiston* (Id.) *Tribune*.

Tarver's successor

AP expects to announce the voting results by Monday evening. The newly elected directors will join the rest of the AP board on Tuesday morning to select Jack Tarver's successor as chairman.

The first vicechairman traditionally becomes the next AP chairman. Frank Batten, chairman of Landmark Communications, currently holds that post, but his election to chairman of the board is "not a fait accompli," said an AP spokeswoman.

Donald T. Regan, Secretary of the Treasury, will talk about the economy at the AP luncheon on Monday afternoon.

The second General Session on Monday, beginning at 3 P.M., will discuss "What kind of editiing works?" to make newspapers successful in the 1980's.

James K. Batten, president of Knight-Ridder Newspapers, will lead the session.

New ANPA chairman

San Francisco Examiner will host a continental style breakfast on Tuesday, April 27, before ANPA members gather for the association's annual business meeting and election of officers and directors.

William C. Marcil, publisher of *Fargo* (N.D.) *Forum* was nominated to succeed Katharine Graham as ANPA chairman and president, putting the leadership back in the hands of a family-owned publisher. Marcil also owns the *Willmar* (Minn.) *West Central Tribune*. Richard J.V. Johnson, *Houston Chronicle*, was nominated for vicechairman; Alvah H. Chapman, chairman, Knight-Ridder Newspapers, Inc., secretary; and Frank Daniels Jr., publisher, *Raleigh* (N.C.) *News & Observer-Times*, treasurer. Mrs. Graham will move up to chairman of the executive committee, replacing Allen Neuharth, chairman of Gannett Co.

The general session will start at 8:15 R. Inman, deputy director of the Central Intelligence Agency.

NAB's big show

Following Inman, the Newspaper Advertising Bureau will give its presentation on marketing newspapers "today and tomorrow."

Craig Standen, executive vicepresident, will introduce NAB's line-up of speakers who will cover the latest developments in selling national, retail, and classified advertising.

The NAB session will mark the final time Jack Kauffman, NAB president, appears in his official capacity at ANPA. Kauffman will retire this June.

UPI's 75th birthday

On Tuesday afternoon, United Press International will hold its 75th Anniversary Luncheon.

Astronauts C. Gordon Fullerton and Jack R. Lousma, just returned from piloting the space shuttle, Columbia, on its third successful mission, will give an audio visual presentation of highlights of their journey into outer space.

All during the convention UPI will display in the main ballroom area photographs of its history. UPI will also hand out a 36 page color book of photos on its history at the luncheon.

Roderick Beaton, UPI president, will give a progress report on the wire service's operations.

ANPA clinics on areas of special interest will take up Tuesday afternoon. The topics include electronic publishing, the competitive situation in Dallas, selling circulation, shoppers and shared mail, and low power tv.

Tuesday will climax with the ANPA dinner and dance in the Grand Ballroom with music by Henry Mancini and his Orchestra. The festivities start at 7 p.m.

Alvah Chapman, chairman of Knight-Ridder Newspapers, will introduce Chaplain Gerald L. Coffee, USN, at the ANPA breakfast. Coffee, an ex-prisoner of war in North Vietnam, will speak on, "Faith, the key to survival."

Telecommunications will be the subject for Wednesday morning's general session.

Robert G. Marbut, president of Harte-Hanks Communications, will introduce the speakers who include Charles L. Brown, chairman of American Telephone & Telegraph Co., and Mark Fowler, chairman of the Federal Communications Commission.

The Sixth United States Army Band will give a concert at Wednesday's luncheon when the main speaker will be General David C. Jones, USAF, who is chairman of the Joint Chiefs of Staffs.

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MINNEAPOLIS TRIBUNE
24 April 1982

A double loss to intelligence agencies

"I count myself fortunate to have had a small part in that undertaking," Adm. Bobby Ray Inman told President Reagan this week. The undertaking to which Inman referred in his letter of resignation was the strengthening of American intelligence services. The country has been fortunate, too.

By his candor, his professionalism in a politically sensitive post and his commitment to civil liberties, the deputy director of intelligence has earned high marks on nearly all sides. The notable exceptions are in the National Security Council staff. Inman's departure will thus be a double loss: The intelligence community loses a first-rate official, and the country loses a strong source of assurance that the CIA will stick to its intended business.

Nothing suggests that Inman was the victim of White House covert action. Apparently he was not destabilized out of office, but grew weary of bureaucratic infighting and decided to begin a nongovernmental career. Despite opposition from the National Security Council, Inman last year was instrumental in persuading the president to retain tough controls over domestic surveillance. The result was evident last December in an executive order that defined the jobs of the country's intelligence services. Though it left some fuzzy edges on conditions under which the CIA could operate in the United States, the order was far more restrictive than one suggested early in the year by the Reagan administration's right wing.

The intelligence amateurs in the new administration had wanted, among other things, authority for the CIA to return to domestic spying. (That was the period when CIA Director William Casey had appointed a Reagan campaign worker, innocent of any intelligence experience, to head the agency's covert-action operations.)

The top professional thought otherwise. You might expect the man who had been director of naval intelligence, vice director of the Defense Intelligence Agency, director of the National Security Agency and finally No. 2 man at the CIA to concur quietly. Instead he disagreed publicly, pledging on television that no such expansion of CIA authority would occur. Though he largely won that argument, the White House now is evidently bent on heading the CIA back toward its old, discredited ways. Frustration with that development may well have impelled Inman more quickly toward the exit.

Exuding admiration for Inman's achievements and leadership, the president accepted Inman's resignation "with deep regret." Reagan praised Inman for providing "wise counsel," omitting only the unhappy fact that his administration shows no intention of heeding it.

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ON PAGE 17

NEW YORK TIMES
24 APRIL 1982

STATINTL

Saturday News Quiz

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12. "He was our link to reality and credibility," said one Congressmen, reflecting the dismay of colleagues on both sides of the aisle at the announcement by the White House that the man, pictured above, Adm. Bobby R. Inman, would resign. What is his job?

Answers to Quiz

12. Deputy Director of Central Intelligence.

RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM Jack Anderson

STATION WEAM Radio
Mutual Broadcasting

DATE April 24, 1982 9:00 AM

CITY Washington, DC

SUBJECT Admiral Inman

JACK ANDERSON: CIA Deputy Director Bobby Inman has resigned from the agency. Congress is saying privately that the wrong man is leaving.

Here is the Inside Story.

Admiral Bobby Inman, Deputy Director of the Central Intelligence Agency resigned this week. But let me tell you what the congressmen are saying in the cloakrooms. The prevailing view is that his boss, CIA Director William Casey should be he one to leave.

Inman was the only CIA officials who senators trusted. He was often specifically requested to give closed door briefings.

You see, Casey has little credibility on Capitol Hill. Under his leadership the CIA has lost the respect of Congress. Inman was a personal exception.

One intelligence committee source told me, I am quoting, Inman was the man everybody wanted to talk to.

Now they don't have a guy in that position to trust.

Inman and Casey had policy differences. They disagreed, for example, over the CIA's role in domestic spying. Inman thought it was wrong for the CIA to spy on American citizens at home.

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LOS ANGELES TIMES

Senator Urges Reagan to Consult Congress on Inman's Successor

By ROBERT C. TOTH, *Times Staff Writer*

WASHINGTON—Sen. Richard G. Lugar (R-Ind.) called on the Reagan Administration Friday to consult with Congress in choosing a successor to Adm. Bobby R. Inman as deputy director of the Central Intelligence Agency. Lugar called Inman "our man" in the CIA.

The conservative Republican, one of President Reagan's strongest supporters and a member of the Senate Intelligence Committee, broadly hinted at a press conference that unless the Administration consults in advance and chooses a respected intelligence professional—as distinct from a politician—the nomination would be opposed in the Senate.

In praising Inman, with whom he once had served in naval intelligence, Lugar indicated that CIA chief William J. Casey has not had the same trust and confidence of the committee as Inman.

Asked whether Casey were not sufficiently well informed so that he felt he could call on Casey for advice, Lugar replied: "That's right."

Lugar said the Senate had confirmed Casey and Inman "as a package." Casey's loyalty to and rapport with President Reagan were essential to the effective use of CIA intelligence reports, he said, but Inman's experience and reputation for honesty were equally essential to congressional confidence in the CIA.

Inman's departure is a "traumatic occasion," a "watershed event," Lugar said, that illustrates the checks and balances that have been instituted to oversee the intelligence community in much the same way they exist within the federal government.

When asked whether he fears new CIA abuses after Inman leaves, Lugar said. "They would be harder to stop if you weren't sure who to call to get to the bottom of it."

Lugar urged a "very strong dialogue" between the Senate committee and the Administration before Inman's successor is announced.

"Lugar is absolutely, dead right," said Sen. Joseph R. Biden (D-Del.), one of the most liberal members of the intelligence committee. "With Inman gone, the foxes are now guarding the chicken house at the CIA," he said.

A White House official indicated Friday that several candidates are under consideration to replace Inman. "They have someone in mind," he said, referring to presidential counselors, "and an announcement is expected in between 10 days and a month."

Among names mentioned so far have been John N. McMahon, currently No. 3 man at the CIA and the bureaucracy's choice; retiring Gen. Lew Allen, chief of staff of the Air Force, who had been director of the super-secret National Security Agency before Inman; and Adm. Daniel J. Murphy, chief of staff of Vice President George Bush's staff who once served in the CIA as Bush's aide. Other candidates have been interviewed by Casey, sources said.

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ASSOCIATED PRESS

24 April 1982

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ŧPM-SENATE-CIA; BJT;560
ŧSENATORS WANT ROLE IN CHOOSING NEW CIA DEPUTY
ŧBY MICHAEL J. SNIFFEN
ŧASSOCIATED PRESS WRITER

WASHINGTON (AP) - SENATORS; ONE OF THEM FEARING THAT ''THE FOXES ARE NOW GUARDING THE CHICKEN HOUSE AT THE CIA;'' WANT PRESIDENT REAGAN TO CONSULT WITH THEM BEFORE NAMING A NEW DEPUTY DIRECTOR AT THE INTELLIGENCE AGENCY.

''THIS IS A WATERSHED EVENT; NOT SIMPLY A RESIGNATION; A REPLACEMENT AND LIFE GOES ON;'' SEN. RICHARD LUGAR; R-IND.; SAID FRIDAY OF ADM. BOBBY R. INMAN'S RESIGNATION EARLIER THIS WEEK AS THE CIA'S NO. 2 OFFICIAL.

LUGAR; ONE OF REAGAN'S MOST LOYAL CONGRESSIONAL SUPPORTERS AND A MEMBER OF THE SENATE INTELLIGENCE COMMITTEE; SUMMONED REPORTERS TO HIS OFFICE FRIDAY FOR A RARE PUBLIC STATEMENT ON INTELLIGENCE POLICY. REFLECTING CONCERN THROUGHOUT THE COMMITTEE ABOUT THE LEADERSHIP OF THE CIA UNDER DIRECTOR WILLIAM J. CASEY; LUGAR SAID MEMBERS OF THE SENATE PANEL ''SHOULD BE HEAVILY INVOLVED IN THE SELECTION PROCESS'' BEFORE THE NAMES OF POTENTIAL SUCCESSORS TO INMAN EMERGE IN PUBLIC. ''I'M FRANKLY TRYING TO ENGENDER A DIALOGUE AND SEND SOME SIGNALS'' TO THE WHITE HOUSE; LUGAR SAID. ''THIS IS A TRAUMATIC OCCASION; AND I SAY THAT ADVISEDLY.''

CASEY'S MANAGEMENT OF THE CIA AND HIS PAST BUSINESS PRACTICES WERE INVESTIGATED BY THE INTELLIGENCE COMMITTEE LAST YEAR; WHEN SEVERAL SENATORS CALLED FOR HIS RESIGNATION.

THE COMMITTEE ULTIMATELY GAVE CASEY THE TEPID ENDORSEMENT THAT HE WAS ''NOT UNFIT TO SERVE'' IN THE POST.

''MANY OF US VOTED FOR CASEY AND INMAN AS A PACKAGE;'' LUGAR SAID. ''CASEY WAS IMPORTANT TO THE PRESIDENT; WHO HAD ABSOLUTE CONFIDENCE IN HIM. INMAN HAS BEEN OUR MAN IN A WAY.''

HE SPECIFICALLY SAID THE CONSULTATION SHOULD TAKE PLACE BEFORE REAGAN FORMALLY SENDS THE SENATE A NOMINEE TO SUCCEED INMAN.

''LUGAR IS ABSOLUTELY DEAD RIGHT;'' SAID SEN. JOSEPH BIDEN; D-DEL.; ANOTHER MEMBER OF THE COMMITTEE. ''THEY BETTER GET HIS MESSAGE; BECAUSE WITH INMAN GONE; THE FOXES ARE NOW GUARDING THE CHICKEN HOUSE AT THE CIA.''

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ON PAGE A-9

NEW YORK TIMES
24 APRIL 1982

Inman Loss Seen as Peril to Congress

By PHILIP TAUBMAN
Special to The New York Times

WASHINGTON, April 23 — A conservative Republican member of the Senate Select Committee on Intelligence said today that the ability of Congress to act as a check on the activities of intelligence agencies had been imperiled by the resignation of Adm. Bobby R. Inman as Deputy Director of Central Intelligence.

Senator Richard G. Lugar of Indiana, who supports the Reagan Administration's drive to strengthen intelligence agencies and expand their operations, asserted that William J. Casey, the Director of Central Intelligence, did not know enough about the field to deal with Congressional overseeing committees. He urged President Reagan to appoint a professional intelligence officer to succeed Admiral Inman.

"There needs to be a person who has the confidence of Congress and knowledge of what's going on," Senator Lugar said. "We voted for Casey and Inman as a package — Casey because he has access to the President, Inman because he knows what's going on. We've trusted his comprehensive knowledge."

Mr. Lugar's comments added to the controversy that has surrounded the resignation of Admiral Inman, the first senior national security official in the Reagan Administration to resign for reasons related at least partly to policy disagreements.

Lugar 'Sending a Signal'

When the White House announced Wednesday that the admiral was resigning, it said that he had intended to leave Government service for some time to enter private business. Associates of the admiral said he was resigning because of a series of clashes with the White House and mounting frustration with the direction of the Reagan Administration's intelligence and foreign policies.

Senator Lugar, who called reporters to his office and pointedly told them he was "sending a signal" to the White House, said the responsibility of Congress to oversee the policies and activities of intelligence agencies depended on open access to information and trust in the officials who provided the information.

"We've looked to Admiral Inman," Mr. Lugar said. "He's been our man."

Concern about Admiral Inman's departure and the future course of intelligence policy is widespread on the Senate committee. Other members have echoed Mr. Lugar's worries in private conversations since the resignation was announced. Senator Joseph R. Biden Jr., Democrat of Delaware, said this week that when the admiral leaves, "there will be no one for us to deal with at the C.I.A."

When President Reagan took office many members of the committee, including the chairman, Barry Goldwater, Republican of Arizona, urged him to appoint Admiral Inman as Director of Central Intelligence. The Senators said they were impressed by the way Admiral Inman had managed the National Security Agency, which he headed in the Carter Administration, and had confidence in the information he provided at briefings.

Mr. Casey, who had been Mr. Reagan's campaign manager, has had a strained relationship with the committee since he took office. Last year, after investigating Mr. Casey's personal financial dealings, several Senators called for his resignation.

Lugar Served With Inman in Navy

Senator Lugar said today that he had a long-standing friendship with Admiral Inman dating to the late 1950's, when they served together in the Navy as junior intelligence officers. He said his concerns about the resignation, however, were not generated by the friendship.

"His departure is not simply a case of someone resigning," Senator Lugar said. "It is a watershed event."

Mr. Lugar said that the capacity of Congress to check on intelligence agencies was at stake because Mr. Casey lacked the knowledge to keep House and Senate oversight committees informed. Asked if he feared a resumption of abuses by intelligence agencies in Admiral Inman's absence, the Senator replied, "It's a lot tougher to step in when you don't know who to call to get to the bottom of something."

He added, "Bill Casey is a very able American who has made some pretty good decisions, but there are complexities that would take more years to understand than Casey will be alive."

Kathy Pherson, a spokesman at the C.I.A., said Mr. Casey would make no comment on Senator Lugar's remarks.

Mr. Lugar said that Mr. Casey, while making an effort to become more accessible to the committee, was still not responsive enough. The Senator said that members of the intelligence committee had not received notification of Admiral Inman's resignation until the day it was announced, even though the admiral sent a letter of resignation to President Reagan in late March.

Senator Lugar said he was also concerned that to date, the committee had not been consulted about choosing a new deputy director. "We have to be in a little closer touch," he said of relations with Mr. Casey.

He warned that there could be a revival of the "underlying disquiet" that the committee felt toward Mr. Casey last year when Mr. Casey's finances were under investigation and relations between the intelligence chief and the intelligence committee reached a low point.

Officials at the White House said today that it would be at least several more days before Mr. Reagan picked a successor to Admiral Inman. The appointee would face Senate confirmation. Mr. Lugar said today that if the committee did not approve the Administration's choice, it would not hesitate to delay or deny confirmation.

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PHILADELPHIA INQUIRER
24 APRIL 1982

Inman quit over study, sources say

By Michael J. Sniffen
Associated Press

WASHINGTON — CIA Deputy Director Bobby R. Inman submitted his resignation during a heated internal debate over a secret counterintelligence study, but since then, he and other intelligence officials have succeeded in narrowing the study's scope, sources say.

The sources' account of the dispute supported those who have said the study was a factor — but not the major factor — in his departure. Inman's resignation was announced Wednesday, a month after he submitted it to the White House.

Three government sources, all of whom have access to information about the counterintelligence project, said Thursday that an agenda for the study was approved Wednesday by an interagency working group chaired by John Kohler, chief of the intelligence community staff.

Not listed on the agenda were two topics that Inman, CIA Director William J. Casey and FBI Director William H. Webster had feared might be included in the study: the organization of U.S. counterintelligence agencies and such esoteric topics as deceptive Soviet missile telemetry, the sources said.

Inman and the others felt that deceptive telemetry was really outside the scope of a counterintelligence study and that organizational questions had been resolved satisfactorily last year.

Inman's resignation letter was dated March 22, which the sources said was near the height of internal disputes over the study.

Some conservative members of the National Security Council staff and the Senate Intelligence Committee originally conceived of the study. For some time, these conservatives have said Inman was frustrating some of their goals, and at least one has applauded his resignation.

Some sources have said that the dispute over the study may have been one factor in Inman's decision. But those closest to Inman, 51, said that was minor compared to other reasons such as his desire to go into lucrative private work.

Bobby R. Inman
Argued with conservatives

Inman told the New York Times that his departure primarily was the result of a long-standing desire to leave government but also was prompted by other concerns, including "steadily diminishing tolerance for petty bureaucratic intrigue."

The conservatives who pushed the study have called for centralized counterintelligence files and a counterintelligence chief outside existing agencies with power to assign the CIA and the FBI various tasks. Some of them have said Inman had done too little in his previous post as head of the National Security Agency to penetrate deceptive Soviet missile telemetry.

But one top-level government source called such far-reaching ideas "really off the wall," with a "right-wing approach that threatened to jeopardize effective, hard-won working relationships between the CIA and FBI on counterintelligence."

The sources said that President Reagan approved the study on Feb. 15 in a generally worded order that did mention counterintelligence organization.

They said that Inman drafted an implementing proposal that focused heavily on the need for additional counterintelligence resources.

Inman's proposal was rejected in blunt language by the President's national security adviser, William P. Clark, the sources said. One said that Clark was critical of his proposal for focusing on resources without dealing with more fundamental questions.

The sources said the FBI then drafted an implementing proposal and that in the words of one source "the arguments reach a peak in mid-March over this and generated a lot of conflict and heat."

In any case, the sources said that the outcome of the discussions was a study focused on counterintelligence threats, capabilities and resources that satisfied CIA and FBI officials and was close to what Inman himself had been seeking. The agenda approved Wednesday does not specifically mention counterintelligence organization, the sources said.

In another development, Sen Richard Lugar (R., Ind.), one of Reagan's

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THE WASHINGTON POST
24 April 1982

Sen. Lugar Puts White House On Notice About Inman Post

By George Lardner Jr.
Washington Post Staff Writer

A key member of the Senate Intelligence Committee put the White House on notice yesterday that the panel does not have enough confidence in CIA Director William J. Casey's expertise and wants every effort made to give him a qualified deputy.

Sen. Richard G. Lugar (R-Ind.) said he and his fellow committee members were stunned by the abrupt announcement this week of CIA Deputy Director Bobby Ray Inman's resignation. Lugar called it "a rather traumatic situation" for those in Congress whose job it is to oversee the intelligence community and make sure it stays within proper bounds.

He made his remarks at a news conference that he frankly described as intended "to send some signals" to the White House about the gravity of the matter. Lugar made clear that the committee wants to be consulted before a successor to Inman is named.

"If this be meddling, so be it," Lugar declared.

Again and again, Lugar emphasized that it was Inman, not Casey, upon whom the committee has relied since President Reagan took office for expert advice and sound judgment on U. S. intelligence activities.

"It sounds as though you're saying you don't trust Bill Casey," one reporter told him.

The senator replied, "I wouldn't say that at all." He called Casey, who had served as chairman of President Reagan's election campaign, "a very able American who has the trust of the president."

Lugar, a former Navy intelligence briefing officer who served at the Pentagon with Inman years ago, added, however, that "there are simply complexities involved [in the intelligence business] that would take more years than Bill Casey has" left to understand.

"So," asked another reporter, "you're saying that Mr. Casey doesn't know enough for you to call him on the telephone" and ask for his expert opinion?

"That's right," Lugar replied.

Senate Intelligence Committee Chairman Barry Goldwater (R-Ariz.) was also upset on learning of Inman's decision to resign.

Goldwater said, however, that he regarded Casey as "a fine man, honest . . . a real spy when he was with the OSS [Office of Strategic Services], a real guy with a dagger."

At that, Goldwater raised his hand, as though wielding a dagger, then added: "But we do it differently now and he is not a pro."

At his news conference, Lugar noted that Goldwater and others had hoped to see Inman appointed to the top job at CIA. He was named instead to the second spot, which he reluctantly agreed to take after serving as director of the National Security Agency. In any event, Lugar emphasized:

"Many of us voted for Casey and Inman as a package," meaning that they supported Casey because President Reagan wanted him and felt comfortable with him and Inman, a intelligence professional of 30 years, "because he knows more than anyone else what's going on."

Several times, Lugar suggested that the "system of checks and balances" that has been built up around the intelligence community since the congressional investigations of 1975-76 was at stake.

He said he had no quarrel with the CIA director's being "a political appointee" who the president could trust, but suggested that it was vital, in turn, for the deputy director to be an intelligence expert who Congress could trust.

Inman, 51, submitted his resignation to the White House on March 22 because, he has since said, he wants to start "a second career" in private industry and "get back to running something" himself.

"I was absolutely not hounded out," Inman declared. "Anyone [in government] who claims that is just building up his own ego. It was absolutely my initiative and my choice."

Lugar is chairman of the Intelligence subcommittee on analysis and production.

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CHICAGO TRIBUNE
24 APRIL 1982

Tinker, tailor, sailor, turf

Like everything else in the shadow world of espionage, the resignation of Adm. Bobby R. Inman as the number two man in the Central Intelligence Agency bears a number of interpretations. The worst case evaluation is that his aggressive resistance to proposals to unleash the agency in domestic cases brought him into disfavor with the White House and made him quit in frustration. The face the administration puts on it is that Adm. Inman has children to put through college and wants to go into the private sector to make the money to do it.

There has been an ongoing battle within the intelligence community over the mission of the CIA, the Federal Bureau of Investigation and other agencies. This is partly no more than a conventional turf fight over which agency gets the lead in domestic counterintelligence cases, with the FBI trying to defend its traditional domain against the CIA. But it also has more significant implications, because by training, discipline and Department of Justice supervision, the FBI is more familiar and comfortable than the CIA is with the restraints imposed by the Constitution.

Adm. Inman on occasion took the nonparochial view that the CIA should not become deeply involved in the sensitive area of domestic counterintelligence investigations. Indeed, his opposition was probably the most important factor in the scuttling of a plan to make sweeping revisions in the functions of the counterintelligence agencies.

It has been reported that Adm. Inman also objected to a recent administration review of counterintelligence policy and organization and that, though he ultimately succeeded in preventing any radical change, he spent all his bureaucratic capital doing so and had to resign.

Adm. Inman took these positions not because he wanted to become a liberal folk hero, but for a very hardnosed reason. He understood the danger to the agency of becoming embroiled in investigations within the United States. He understood the reasons for separating the functions of the FBI and the CIA and for drawing up written rules governing the conduct of investigations at home and abroad. They protect the agencies from the consequences of changing public opinion about the importance and ethical implications of spying without impeding vital intelligence operations. Neither agency can well afford to go through another period of bloodletting like the one they went through in the late 1970s, when decades of questionable secret activities became public in a matter of months and the knives were out to find a villain. Nor can the country as a whole.

For this reason, Adm. Inman's resignation is a loss, no matter which explanation one accepts. He was a strong-minded intelligence professional who understood better than partisan newcomers that a national intelligence policy, like the foreign policy it is supposed to support, must be designed to create a lasting consensus. And since the details must be kept secret, the structural safeguards against abuse that have so nettled some within the administration are the very foundation of continued public support.

NEWSDAY (NY)
23 April 1982

A Loss for the CIA And for America

Customarily, when high-level government officials announce that they plan to resign, there is a flood of speculation about the causes of their disaffection.

The announcement by Admiral Bobby Inman that he would leave his post as deputy director of the Central Intelligence Agency was no exception. All sorts of reasons were suggested: He had had enough of government service and wanted to return to civilian life. He wasn't getting along with his boss, William Casey. He was angry at the White House national security staff for interfering in the formulation and execution of intelligence policy.

It's entirely possible that all these theories are true. Inman isn't saying just yet.

But one irritant that we suspect played a significant role in his decision was his unhappiness over the CIA's drift into the previously forbidden territory of domestic spying.

Inman is known to have opposed this role for the CIA, which was created as an overseas intelligence agency distinct from the Federal Bureau of Investigation, whose turf includes responsibility for domestic counterintelligence activities.

If Inman is leaving the CIA because he couldn't win the battle to keep the agency out of the domestic spying business, he's not the only one who has lost; the entire country and its traditions of civil liberties have lost as well.

Inman is widely acknowledged to be one of the most competent and professional intelligence officials in the country, and the intelligence community will suffer by his absence. But his departure need not deprive the country entirely of his services. Once back in civilian life, he can speak out publicly about some of the things he knows better than almost anyone: the damaging effect of bureaucratic interference on intelligence gathering, and the danger of turning the CIA into an agency that spies on Americans.

SEATTLE TIMES
23 April 1982

Inman resignation calls for an inquiry

THE surprise resignation of Adm. Bobby R. Inman as deputy CIA director was accompanied by standard comments — expressions of "deep regret" from President Reagan, and Inman's assurance to newsmen that he wants "to do fresh things." Nonetheless, the House and Senate Intelligence Committees should look deeper into the matter.

Members of those committees said they were stunned and concerned over the loss of Inman, whom Rep. Edward Boland, D-Mass., head of the House committee, calls "the nation's finest professional intelligence officer."

Direction of the CIA under William J. Casey, a nonprofessional for many years and an old Reagan friend, has been controversial from the start. Inman was widely regarded in the intelligence community and on Capitol Hill as providing necessary balance amidst a welter of amateurism.

Intelligence insiders say there was friction between Inman and Casey and that Inman was concerned about the extent of CIA spying within the United States.

A member of the Senate Intelligence Committee was quoted as saying: "You can't imagine the number of times he (Inman) came up here and had to defend policies it was obvious he disagreed with."

One of the political liabilities of the Carter administration was the failures of U.S. intelligence, which notably was caught off base by the Iranian revolution. There was hope that Reagan would put the intelligence house in order. But most of the signs thus far point to continued troubles in both policy and administration.

Inman's resignation calls for thorough congressional probes.

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WILMINGTON NEWS JOURNAL (DE)
23 APRIL 1982

A sham(e)

WHEN A CAREER intelligence officer relinquishes both a CIA deputy directorship and his U.S. Navy commission at the age of 51, one is inclined to be skeptical of his avowed desire to "move on to fresh challenges." When that resignation is accepted by President Reagan with "deep regret" and the prescribed nod to "leadership and wise counsel," the doubt grows. When the name of the retiree turns out to be Adm. Bobby R. Inman, the suspicions are confirmed.

Adm. Inman had dubious qualifications for the post of deputy director of the CIA in the Reagan administration — years of specialization in intelligence work. He was deputy to CIA Director William J. Casey, whose superior qualification for that post was his yeoman service as manager of Ronald Reagan's campaign for the presidency.

When Senate investigations of Mr. Casey's checkered financial past threatened last year to disclose how inappropriate it was to place him in such a sensitive position, several senators made clear that they thought Adm. Inman was the ideal man for the helm of the CIA. The White House made it clear at that time that if Mr. Casey had to go, the admiral not only would not get the directorship but also would be forced out.

That subtle persuasion worked. The Senate investigators yielded with the less than ringing endorsement that Mr. Casey was not unfit to serve. Mr. Casey stayed and so did Adm. Inman, but not for long. He had some peculiar ideas that did not endear him to his bosses at headquarters in McLean, Va., and at 1600 Pennsylvania Ave.

He believed, for instance, that the strict rules that controlled domestic surveillance of American citizens by the CIA were a reasonable guarantee of civil liberties. His bosses decided, as they have done elsewhere, that civil liberties are an unnecessary inconvenience that can be compromised as long as it is done in the name of national security.

Adm. Inman's loyalty prompted him to defend in Congress policies with which he was clearly uncomfortable. Despite Mr. Casey's description of their association as a good working relationship, the opposite was obvious to members of Congress as well as employees at the CIA. As an intelligence officer, Adm. Inman was no stranger to the intrigue of espionage. He had, however, in his own words, a "steadily diminishing tolerance for petty bureaucratic intrigue."

Happily for the petty bureaucrats but unhappily for the American people, the reasons for the loss of Adm. Inman's experience and ability are unlikely to be known. Thanks to the wisdom of the bureaucrats and the wholehearted endorsement of the Supreme Court, Adm. Inman is free to write anything he wishes about his experiences in government service. He will, of course, have to submit it to Mr. Casey for screening before publication. We wouldn't want him compromising national security, now, would we?

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FOR PUBLIC AFFAIRS STAFF

PROGRAM Mutual News STATION WGMS Radio
Mutual Network

DATE April 23, 1982 6:00 PM CITY Washington, DC

SUBJECT Inman's Resignation

ROBERT BURNS: Senator Richard Lugar of Indiana is worried about the CIA's future relations with Congress now that Deputy CIA Director Bobby Inman is resigning. Senator Lugar told a Capitol Hill news conference today, Inman had maintained a positive rapport with Congress.

SEN. RICHARD LUGAR: My fears for the future come, of course, from Admiral Inman's resignation and the need now to make certain that whoever his successor or successors might be, has the same confidence in the Congress.

BURNS: Senator Richard Lugar.

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THE WALL STREET JOURNAL
23 April 1982

World-Wide

* * *

A successor to the CIA's Bobby Inman will be named quickly by Reagan, the White House said. "We've done some preliminary work. I think we'll have someone fairly quick," an official said.

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LOS ANGELES TIMES
23 APRIL 1982

Inman Denies He's Quitting CIA Post in Dispute on Policy

By ROBERT C. TOTH, Times Staff Writer

WASHINGTON-Adm. Bobby R. Inman Thursday dismissed as "absolutely not true" reports that policy disputes with the Reagan Administration had caused him to quit as deputy director of the Central Intelligence Agency. He declared that he is resigning to seek "fresh challenges."

"I'm not leaving angry," he told The Times. "Those stories about a big policy clash causing me to leave are just not true. There've been a lot of little bureaucratic squabbles over the years, peripheral to any job, and what little tolerance I've had for those things has disappeared.

"I'm not a good deputy," he added. "I like running my own shop. And money plays a role here. (With one son in college and another in private school), we've been selling bonds to pay tuition and my net worth is less now than when I took the job."

"Policy fights would not have necessarily caused me to quit anyway," he said in a telephone interview. "It would have been over a matter of principle, such as unfettered electronic surveillance of Americans."

Cast as Influential Moderate

Doubts that Inman is being totally frank in denying that a policy fight was behind his resignation persist largely because he has been cast as the most influential moderate—if not liberal—voice in an intelligence community supervised by conservatives of the Reagan Administration.

Last year Inman succesfully opposed attempts to loosen constraints on counter-intelligence actions in the United States by the CIA and FBI—or to "unleash" the agencies, as some called it. After a public clash, the guidelines for such intelligence collection more closely followed the previous Carter Administration's regulations than Reagan officials wanted, particularly on electronic eavesdropping. The new rules do permit some CIA activities in the United State for the first time, however.

Most recently, a plan suggested within the National Security Council staff to bring together the counter-intelligence functions of the CIA and FBI into a single operation has been opposed by Inman as well as by other top intelligence officials, according to congressional sources.

A Senate source said Inman "won that battle since that plan is dead." A House Intelligence Committee source said Inman "was winning the battle, although I'm not sure the plan is dead. But I don't think he's the kind to leave if he was losing."

Intense Bureaucratic In-Fighting

Other sources said this dispute centered on the scope of a study of counterintelligence activities that was the idea of conservative NSC staff member Kenneth de Graffenr[illegible] on intelligence threats from foreign governments, as Inman, CIA chief William J. Case[y] liam H. Webster wanted, the sco[pe] on central control of counterintell[igence]

Efforts to reach De Graffenrei[dt] successful.

Intense bureaucratic in-fighting over the study went on during March, according to one report. Inman's letter of resignation was dated March 22, and the timing suggested to some that the issue had prompted Inman to quit.

Inman denied that that was true, but he refused to discuss the issue for publication because, he said, "counterintelligence matters are highly classified."

Inman did say, however, that overall, the intelligence rebuilding effort of the Reagan Administration was "off in a good direction. If I was not comfortable about that, I would not have walked away." He indicated also that it would not be easy for the present direction to be changed.

"We believe he's telling the truth about why he's leaving," a House source said. "We take at face value what he said and discount the rumors."

Inman Praised by Lawmakers

Rep. Edward P. Boland (D-Mass.), chairman of the House Permanent Intelligence Committee, and its members share this view, the source said.

Boland, in a highly laudatory statement issued after the White House announced Inman's resignation Wednesday, called Inman "the nation's finest professional intelligence officer." Virtually all congressmen who have commented have been similarly complimentary.

The silence of Sen. Barry Goldwater (R-Ariz.), chairman of the Senate Intelligence Committee, has been striking. Goldwater was Inman's outspoken champion in Congress and clearly would have preferred Inman to Casey as CIA chief.

"One explanation is that Goldwater is disappointed that Inman is leaving now—disappointed mostly in the Administration for not offering Inman the prospect of Casey's job in the future—and might sound angry if he spoke out now," a Senate source said.

Goldwater was out of town and could not be reached.

Sen. Daniel K. Inouye (D-Hawaii), another Senate Intelligence Committee member, praised Inman highly in a statement Wednesday. "I will miss him and I wish him the very best in his future endeavors," Inouye said. He could ot be reached Thursday for comment on reports that Inman had quit in a policy dispute.

Some of Inman's difficulties in the CIA job have surfaced from time to time.

One recurrent theme was that he did not see eye-to-eye on many issues with Casey. In this connection, Inman has said that his relations with Casey were "cordial" and that no two officials ever have identical views on every issue.

Casey focused mainly on rebuilding the nation's covert action capability. Inman became the CIA's chief spokesman on Capitol Hill and largely ran the broader intelligence community, which includes the other U.S. intelligence agencies.

This sometimes required him to defend in Congress CIA policy with which he did not fully agree, sources said.

Inman was cast as a possible successor to Casey when the CIA chief ran into trouble with Congress over some earlier financial dealings and over his choice of Max Hu[gel] [illegible] a principal CIA officer.

Inman has run afoul of Israel and some of its supporters in the United States for reportedly denying Israel

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NEW YORK TIMES
23 APRIL 1982

Inman Resignation Tied to Debate On Widening Intelligence Activity

By PHILIP TAUBMAN
Special to The New York Times

WASHINGTON, April 22 — An intense debate in the Reagan Administration over the possible reorganization of counterintelligence operations led indirectly to the resignation of Adm. Bobby R. Inman as Deputy Director of Central Intelligence, senior Administration officials said today.

The internal power struggle, which involved top officials at the White House, Defense Department, Central Intelligence Agency and Justice Department, was ignited earlier this year when President Reagan approved a proposal to conduct a comprehensive review of counterintelligence policy and organization.

Top Aides Opposed Review

Counterintelligence, at a minimum, is the combatting of threats posed by foreign intelligence services, including efforts to infiltrate the American Government. The Federal Bureau of Investigation has primary responsibility for counterintelligence operations in the United States and the intelligence agency has authority for such activities overseas. The armed services have their own organizations to counter espionage threats directed against the military.

Admiral Inman, whose resignation was announced Wednesday by the White House, and other top officials opposed the review, these sources said. The sources said he and the others feared a result might be a consolidation of counterintelligence responsibility in a new organization vested with broad authority to collect information within the United States.

In addition, they were concerned that a central records system would be created that might threaten the civil liberties of American citizens, officials said.

Proponents of the study, some of whom have openly advocated a reorganization of counterintelligence operations, said a major review was necessary, according to White House officials, because of increased efforts by the Soviet Union and other foreign powers to compromise American intelligence agencies and to infiltrate the Government.

Overhaul Later Ruled Out

Earlier this month, the dispute seemed to be temporarily resolved when the terms of the review were narrowed to include only an examination of how to improve current capabilities without overhauling the system.

But by then Admiral Inman had submitted his resignation to President Reagan, partly out of frustration over the handling of the counterintelligence review by the White House national security staff, friends of Mr. Inman said.

The White House said that Admiral Inman, 51 years old, would leave his job by mid-summer to go into private business, carrying out a longstanding desire to leave Government service. Associates of Admiral Inman said that his departure was prompted by a series of clashes with the White House and mounting disagreement over the direction of the Administration's policies on intelligence gathering and foreign affairs.

He is the first senior national security official to resign voluntarily from the Reagan Administration for reasons related, at least in part, to policy disagreements.

Successor May Be Named Soon

The White House said today that President Reagan planned to move quickly to replace Admiral Inman.

"We've done some preliminary work," said Larry Speakes, the deputy White House press secretary. "I think we'll have someone fairly quickly." Two men were mentioned today as possible successors by intelligence officials. They are John N. McMahon, the executive director of the intelligence agency, the third-ranking position at the agency, and Gen. Lew Allen Jr., Chief of Staff of the Air Force. The nominee would face Senate confirmation.

The struggle over counterintelligence operations began when a transition team appointed by Mr. Reagan to review Government intelligence operations recommended, among other things, an upgrading of counterintelligence capabilities and the creation of a central records system.

One of the advocates was Kenneth E. deGraffenreid, a member of the White House national security staff. Mr. deGraffenreid and others were concerned that the dismantling of the intelligence agency's counterintelligence staff in the mid 1970's crippled the agency's capabilities. They also felt that domestic efforts by the investigations bureau were insufficient.

In a paper submitted to a colloquium in April 1980, Mr. deGraffenreid wrote that the investigations bureau had "failed to increase the manpower or resources" committed to counterintelligence "despite a massive increase in espionage from the Soviet Union."

He proposed creating a "national" counterintelligence organization that would "cut across jurisdictional lines" He said such an organizaton would likely involve "some functions now specifically excluded" by parts of President Carter's intelligence executive order, including responsibility in such areas as communications and documents security. Those areas are now the responsibility of security staff not specifically trained in counterintelligence techniques.

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CHICAGO TRIBUNE
23 APRIL 1982

Admiral resigns No. 2 CIA post

By John Maclean
and James Coates
Chicago Tribune Press Service

WASHINGTON — Adm. Bobby Inman announced his resignation as deputy director of the Central Intelligence Agency Wednesday, and sources in the intelligence community said the move resulted from friction between him and the White House.

Inman sent a letter of resignation to the White House a month ago, asking to leave his post as soon as a successor could be confirmed. The White House released Inman's letter, which contained no reason for quitting, and one from President Reagan accepting the resignation "with deep regret."

Inman told associates Wednesday that he considered his resignation a "welcome development" and that he intended to enter private business. Inman, 51, also announced that he would retire from the Navy.

Inman first got caught in a cross-fire involving the White House last summer when Sen. Barry Goldwater (R., Ariz.) tried to get Inman the job of CIA director.

THAT EPISODE began with the resignation of Max Hugel, a protege of CIA Director William Casey, as deputy director for operations after disclosure of questionable business activities by Hugel. Goldwater, chairman of the Senate Intelligence Committee, subsequently pressed an inquiry into Casey's own business dealings.

It was understood that Goldwater wanted Casey, 69, to step down in favor of Inman, whom Goldwater once called the best spy in the world, but the White House fought back.

The Reagan administration told Goldwater that if Casey went, so would Inman, according to intelligence sources. Goldwater backed off.

After that, Inman no longer felt that the White House valued his services, the intelligence sources said. The situation became worse when William Clark became national security adviser in January, the sources said; Clark and Inman did not get along.

INMAN IS KNOWN as a brilliant intelligence officer to some and a cold-hearted careerist to others. His speciality has been high-technology satellite surveillance.

During the Carter administration he rose to head the supersecret National Security Agency, which breaks other nations' codes and listens in on radio, satellite and other international communications.

While at NSA he gave the Justice Department its first word that Billy Carter had an "arrangement" with the Libyan government. Intelligence sources said Inman established a system at NSA under which politically sensitive information went directly to him and almost nowhere else.

INMAN TOLD Jimmy Carter at the end of his term that he would stay on at NSA, but only for a year or 18 months. After Reagan moved him to the CIA job, however, it was anticipated that he would serve longer.

When Casey, widely considered an amateur at intelligence work, was nominated as CIA director, Inman was praised as a professional who could keep the spy agency on course. The Senate confirmed him by a vote of 94 to 0.

Rep. Edward Boland (D., Mass.), chiarman of the House Intelligence Committee, said of Inman's resignation:

"I view this development with the deepest regret. Admiral Inman is the nation's finest professional intelligence officer. During his exceptional career he has enjoyed the full confidence (of the committee)."

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NEW YORK TIMES
23 APRIL 1982

IN THE NATION

By Tom

Repeating the Past

Sometimes this seems to be an Administration without a memory, fated to repeat a past of which it's unaware.

In his "new federalism" proposals, for instance, President Reagan apparently did not grasp the historical fact that many of the programs he wanted to turn back to the states had been developed at the Federal level precisely because the states could or would not take on such tasks.

Just this week, the Supreme Court had to appoint a lawyer to defend the Government itself — the Fourth Circuit Court of Appeals is as much a part of the Government as the Presidency — because the Reagan Department of Justice, which ought to be doing the job, has so little knowledge of history.

The Department did not know that the issue of tax exemption for segregated private schools had been settled in the Federal courts to the satisfaction of three previous Administrations. The President and his advisers were dumbfounded that Congress and the public were outraged at their attempt to create a new version of the law that would have rewarded segregated schools with tax exemption.

But in few areas has the Administration's collective memory seemed so nearly absent as on the issue of secrecy. In just over a year, the Reagan Administration has accomplished a reversal of one of Jimmy Carter's most promising accomplishments — a substantial opening of Government operations to public scrutiny. Congress, moreover, has appeared to be a willing accomplice in much of what has been done.

Spurred on by the Administration, for example, Congress has passed — and is now discussing the final terms of — an "agents' identity bill," under which it would be a crime to make public the name of an agent of the Central Intelligence Agency. This will make it more difficult for the press to monitor agency activities and for churches, universities and other institutions to keep undercover agents from infiltrating their staffs.

Mr. Reagan used an executive order to reverse the Carter policy prohibiting the intelligence agencies from penetrating and spying on domestic organizations. This new permission for snooping — unjustified by any visible internal security crisis — contradicts all those Reagan campaign promises to "get the Government off the people's backs." And the resignation [illegible] Adm. Bobby Inman, who as deputy chief of the C.I.A. opposed domestic spying, may signal even less concern for the rights

ecutive order that will result in more frequent classification of documents, again with no visible justification from any known security breaks. The order strikes down the Carter requirement that public interest be specifically weighed against potential security damage before classification, and waives the rule that such damage be specifically identifiable — not some vague, worst-case fear or political apprehension.

Such steps toward secrecy — which may at first glance seem "limited" or "restrained" — have been carried out, as they always are, under the glamorous but deceptive cloak of "national security." In fact, they constitute a profound shift from an assumption of openness in government to an assumption of secrecy. When in doubt, officials are instructed, classify; if it doesn't absolutely have to be made public, keep it secret; if you suspect it, spy on it.

The Reagan Administration and Congress may not remember, but many citizens will, that just such a credo of snooping and secrecy, justified on grounds of nameless, undefined threats to "national security," led us straight into the worst deceptions of Vietnam, and deep into the lies, lawbreaking and cover-ups of Watergate.

The Administration also forgets, if it ever knew, that the label of "national security," with its intimations of high policy secrets and its invocation of patriotism, has been used far more often to conceal political interests, ineptitude, mistakes, venality and even criminality than it has to protect legitimately confidential information.

For the truth is that the ability to operate in secrecy — which is what the Administration has been developing for itself — ultimately is the ability to do what you want to do, without hindrance from an informed public. But the ability to operate in secrecy — as the fate of the Nixon Administration will forever stand witness — is also a profound temptation to lying, power-grabbing, political trickery, illegality and cover-up.

Thus Mr. Reagan's shift to secrecy and away from the openness Mr. Carter had established not only poses dangers to the public's knowledge of what the Government is doing, despite the fact that no one in Congress or the Administration has identified a security [illegible] The President's inability to remember and profit from the past poses

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NEW YORK TIMES
23 APRIL 1982

Spies, Trust, Men and Laws

Bobby Inman's explanation for quitting as number two man at the Central Intelligence Agency is probably as accurate as a top spy's can be in public. He says he wants to run something, start a new career, educate his teen-age sons. If that were all, there would be ample cause to regret the loss of brains, talent and tact from an agency that can never have enough of those assets.

But that is not all, for Admiral Inman has been more than a smart spy. Many Congressmen and others who are unsure about the C.I.A.'s bona fides nonetheless trust Bobby Inman. He has been the main hope that, while improving its work, the agency won't backslide into dangerous dirty tricks abroad or snooping on Americans at home. That this military officer should be regarded as the embodiment of prudence and respect for civil liberties demonstrates how sensitive those matters became under the Reagan Administration.

Admiral Inman is no sentimentalist. His tough-minded management of the National Security Agency won the plaudits of every knowledgeable hawk. But even before he was picked as deputy to the C.I.A. chief, William Casey, the Administration had begun relaxing the rules against domestic spying. The Admiral, without disloyalty, was able to satisfy Congressional committees that he understood their concern and would keep them properly informed.

In his short year in office he managed to compensate for some of the weaknesses of an executive order that repealed post-Watergate reforms and had an aura of again "unleashing" the agency. Americans want their foreign agents held accountable to elected authorities and their nation's secrets wisely used. As could be seen in his few public discussions of intelligence from Central America, Admiral Inman practiced a confidence-inspiring restraint.

If President Reagan wants to maintain the trust thus earned, he now needs a successor of comparable capacity. But this resignation also shows that confidence should not depend on personnel alone. Congress should try, once again, to enact a legislative charter that will make all the intelligence agencies a secure part of our government of laws. It cannot be a government of men — not even men like Bobby Inman.

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NEW YORK DAILY NEWS
23 APRIL 1982

EDITORIALS

Big shoes to fill

The Central Intelligence Agency suffered a loss it can ill afford with the resignation of Adm. Bobby Inman, No. 2 man in the spy establishment.

All kinds of stories are circulating about why Inman quit. He was fed up with bureaucratic red tape. He was getting the business from President Reagan's in-house security advisers. He had policy differences with the administration. He found the greener pastures of private industry too good to resist. Maybe it was a combination of all those factors.

What really matters is that Inman was a pro. For more than 20 years—in the Navy, the Pentagon and as head of the National Security Agency before shifting to the CIA—he made a career of intelligence. Moreover, he was an expert in the sophisticated, high-technology methods of information-gathering that have largely supplanted cloak-and-dagger work as the foundation of intelligence.

Inman brought modern savvy as well as experience to the CIA and we fear that the administration is going to find him an awfully hard man to replace.

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THE WALL STREET JOURNAL
23 April 1982

STATINTL

The Inman Resignation

Admiral Bobby R. Inman's decision to resign as deputy director of Central Intelligence will be a loss for America's intelligence capabilities. He is a bright, able officer, most distinguished for his strong motivation to master his craft. But his resignation should not become a cause celebre.

Liberal conspiracy-hounds have played up an alleged rift between Adm. Inman and the administration over the protection of civil liberties. We find this puzzling. There is no particular evidence on the record that he has been a leading civil libertarian within the intelligence community. Indeed, before becoming deputy CIA director, he was director of the National Security Agency—the outfit that conducts satellite reconnaissance, wiretaps and other forms of electronic intelligence gathering. Lately, he has been in the forefront of the effort to clamp down on the exchange of Western scientific and technological information with the Soviet Union. These increased restraints would include screening of scientific papers prior to publication to excise any data that might prove valuable to the Soviet military or intelligence services.

On the other hand, conservatives, who are irked by Adm. Inman's close association with the Carter administration, are buzzing over a dispute between him and the White House about counterintelligence. A recent intelligence study has concluded that not enough attention has been paid to the possible deception by the Soviets of our "national technical means" of collecting information, such as the satellites we use to verify Soviet compliance with arms-control treaties. The Soviet Union is known to have an intensive program, called "Maskirovka," which aims at trying to deceive our technical collection equipment.

The National Security Agency has not taken this threat very seriously in the past—even when Adm. Inman was in charge—and a new White House directive places strong emphasis on guarding against such deception. Some sources say that this disagreement on counterintelligence measures contributed to Adm. Inman's decision to resign.

Whatever you make of these alleged disputes, it's clear Adm. Inman has strong personal reasons for resigning. He had wanted to leave government service at the end of the Carter administration, and he needed much persuading by CIA Director William Casey to accept the Number 2 slot. With his children reaching college age, he is in search of a more lucrative career outside the government.

What's also clear from the tales about his departure is that some people on Capitol Hill, such as Sen. Barry Goldwater, are miffed that Adm. Inman did not become head of the CIA. There had been much lobbying for his appointment at the start of the Reagan administration and again later last year when Mr. Casey's financial background was being probed. (The probe cleared Mr. Casey of any wrongdoing.)

If one were picking a CIA head on the basis of experience and technical competence, Adm. Inman would be the obvious choice. But in our view these are the wrong criteria. As unfashionable as it is to say this, the first qualification for a CIA director is personal loyalty to the President. The director ought not to be a pure professional, no matter how consummate. This ought to be a political appointment.

It is hard enough for an incoming President to change the ways of any branch of the bureaucracy, let alone one cloaked in secrecy and isolated in its own intellectual ghetto. To get the kind of intelligence he needs, any President needs his own man at the CIA. By this we do not mean a political hack or a complete stranger to intelligence or foreign policy, and we are aware that political abuses might result. But in the end the intelligence service needs to be accountable to the President, for it is the President who is ultimately accountable to the people for both the operation of intelligence and the preservation of the law.

This consideration perhaps puts a cap on the career of an able intelligence professional like Adm. Inman. And if he decides to seek opportunities elsewhere, we should understand and wish him well.

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THE CHRISTIAN SCIENCE MONITOR
23 April 1982

Their favorite spy

The outpouring of praise now being bestowed on deputy CIA director Bobby R. Inman is both a tribute to the admiral's genuine accomplishments in the national security area and, one suspects, a message to the Reagan administration.

The message: that Admiral Inman's successor be a person thoroughly skilled in professional intelligence work. Given the fact that much of the actual day-to-day leadership of the CIA has come under the deputy director's aegis in recent months, it is absolutely essential that the White House choose an individual of unquestioned competence and impeccable credentials.

Despite Admiral Inman's statements that he is leaving his CIA position this year primarily for personal reasons, it has been no secret in Washington that he has had significant disagreements with the administration in a number of policy areas. There have also been reports of occasionally strained relations with CIA Director William Casey. Admiral Inman, for example, had deep misgivings about allowing some covert CIA spying operations in the US as favored by President Reagan. Still, the admiral eventually supported the President's desire to authorize such activities.

Whatever the case, it is to be recognized that the way the CIA has been traditionally led over the years makes a certain degree of argument at the highest echelons of the agency almost inevitable, although, of course, that need not necessarily lead to friction. Since its founding back in the late 1940s, the CIA has tended to rotate civilian and military persons in the director and deputy director posts.

Admiral Inman, for example, not only is a four-star military man but, until tapped for the deputy chief post at the CIA, was the director of what is in fact the nation's largest intelligence agency, the super-secret National Security Agency (NSA), which deals in electronic intelligence-gathering.

His chief at the CIA, Mr. Casey, was director of Mr. Reagan's 1980 political campaign, though Mr. Casey's own experience with intelligence work goes back to the 1940s and the OSS.

Part of Admiral Inman's difficulty with the White House staff is perhaps to be found in the very fact that several influential members of Congress had called for the resignation of Mr. Casey last year – when the CIA chief was then under investigation regarding personal finances – and replacement by Admiral Inman. Still, that did not mute President Reagan's gracious plaudits for the admiral this week.

Surely the finest tribute to Admiral Inman's accomplishments would be in the selection of a person who carries on that same sense of dedicated professionalism.

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BALTIMORE SUN
23 APRIL 1982

CIA before and after Inman

The announcement that Adm. Bobby Inman will resign as the second ranking official in the Central Intelligence Agency is unexpected and unwelcome. Admiral Inman is a dedicated intelligence professional who has never given the impression he felt this endeavor had to be carried out with little or no high-level, extra-agency oversight—by Congress or within the executive branch. In an administration in which both the president and the director of the CIA occasionally give just that impression, it is reassuring to have a Bobby Inman in so key a role.

There are other intelligence experts who can do a good job in this post, of course. But reports from Washington make it appear that the Admiral Inman and CIA Director William J. Casey, who got his job in part because of his political connections (he was Ronald Reagan's 1980 campaign manager), disagreed on important matters, and that this may be why the admiral is retiring at the early age of 51, after little more than a year in his new job. Does that mean the administration wants a "yes-man" in that position?

The House and Senate Intelligence committees ought to inquire into this, in public if possible, in private if not. Only a few years before Admiral Inman and Mr. Casey took over the CIA, it was a troubled and troubling agency. Officials often did not balance the rights of American citizens with the felt needs of the intelligence community. Presidents Ford and Carter imposed new restraints on the CIA and its allied agencies. Acknowledging past CIA excesses, President Reagan nonetheless weakened and removed some of those restraints. If Admiral Inman's departure implies, as some in Washington seem to believe, that the president or Mr. Casey or anyone with authority wants to do things that risk a repeat of the old errors, Congress and the public have a right to know. And if the admiral's departure does not imply that, Congress and the public need to know that, too.

ON PAGE 2 THE CHRISTIAN SCIENCE MONITOR
23 April 1982

CIA's No. 2 to await successor

Washington

Adm. Bobby Ray Inman plans to stay on in his post as deputy director of the Central Intelligence Agency until Labor Day, if necessary, until his successor is confirmed by the Senate.

President Reagan expressed "deep regret" at the four-star admiral's decision announced Wednesday to resign from the CIA and the Navy.

In his resignation letter Admiral Inman wrote that he felt he had met the "initial challenge" of helping rebuild the US intelligence-gathering apparatus and wanted to "move on to fresh challenges." He told the Washington Post part of the reason for his decision was to increase his income to educate his two sons, aged 16 and 19.

An intelligence source said Admiral Inman had "never really enjoyed being No. 2 at the agency," and there were reports of friction between him and Central Intelligence Director William Casey. Administration sources quoted by the Post said one point of contention was the extent of CIA spying in the United States.

Admiral Inman was seen as a moderating voice in the agency, and was widely respected in Congress. Rep. Edward P. Boland (D) of Massachusetts, chairman of the House Intelligence Committee, called him "the nation's finest intelligence officer."

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LOS ANGELES TIMES
22 APRIL 1982

Adm. Inman Quitting No. 2 Post in CIA

By ROBERT C. TOTH,
Times Staff Writer

WASHINGTON—Adm. Bobby R. Inman is resigning as deputy director of the Central Intelligence Agency to seek a job in the "private sector," the White House announced Wednesday. President Reagan accepted his resignation with "deep regret."

The resignation will become effective only after a successor is chosen by the President and confirmed by the Senate.

The 51-year-old Inman, widely respected as the nation's top professional intelligence official, had served only 15 months in the post he had accepted at the personal request of Reagan and CIA chief William J. Casey. He had been expected to stay 18 months to two years.

Although he has had policy differences with high presidential aides, particularly former national security adviser Richard V. Allen, Inman's departure is not the result of a major clash over intelligence matters, according to informed sources.

Inman was said to have been restive as No. 2 man in the CIA after earlier having run the larger National Security Agency for four years. And he was aware that he could not aspire to the top CIA job because he lacked the politicial credentials.

Inman's interest has been primarily in the analysis of information rather than in covert activity or in aggressive counterintelligence efforts in this country, both of which the Reagan Administration initially had sought to intensify to fulfill its election promise to "unleash" the intelligence community.

Sources said Inman is satisfied that the direction set for the CIA under the Reagan Administration is a good one, aimed at rebuilding the nation's intelligence capabilities. Inman's contribution was to help plan the long-range rebuilding program, which, in his view, is now well under way.

After reminding the President that he had "reluctantly" accepted his request to serve in the job, Inman wrote in his letter of resignation, dated March 22, that "I believe the initial challenge has been met and that it is now time that I move on to fresh challenges."

He has accepted no job and is said to be open to offers from industry or consulting organizations.

In a letter to Inman, the President thanked him for more than 30 years of "inestimable" service in the Navy. "You leave the intelligence community in a strengthened and enhanced posture, far better equipped" than at the start of his Administration, the President said.

For a man who has been called America's "master spy," the soft-spoken, boyish-faced Inman is the antithesis of the James Bond image. He is an intellectual, highly analytical person with an almost photographic memory who has never been in the secrets-stealing line of the spy business.

U. of Texas Grauduate

He was born in Rhonesboro, Tex., on April 4, 1931, and was graduated from the University of Texas in 1950 and immediately entered the Navy. He received a commission two years later and rose steadily as an intelligence specialist.

He served as director of the Office of Naval Intelligence, vice director of the Defense Intelligence Agency and director of the National Security Agency, which conducts electronic intelligence operations, before being chosen for the CIA job.

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FOR PUBLIC AFFAIRS STAFF

PROGRAM Morning Edition STATION WAMU Radio
NPR Network

DATE April 22, 1982 6:10 AM CITY Washington, DC

SUBJECT The Resignation of Admiral Inman

DEBRA CILAMAYO: The Deputy Director of the CIA, Admiral Bobby Inman, took Washington by surprise when he announced his resignation yesterday. Barry Schweid reports the announcement is puzzling.

BARRY SCHWEID: Why is Inman leaving? No one is really quite sure. White House officials say he simply decided to take a job in the business world. There was no fight, said one official. But in the intelligence community especially there is skepticism. According to some reports Inman was unhappy with a White House review of intelligence operatins.

There is disappointment too among professionals who respect Inman's skills, and among those who were convinced he used his influence to restrain an expansion of CIA acitivities on the home front.

For National Public Radio, this Barry Schweid in Washington.

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STATINTL

FOR PUBLIC AFFAIRS STAFF

PROGRAM Dan Rather Commentary STATION WTOP Radio
CBS Network

DATE April 22, 1982 5:40 P.M. CITY Washington, D.C.

SUBJECT Admiral Inman Resigns

DAN RATHER: Everyone agrees that Bobby Inman was good, maybe the best professional intelligence man in the United States. So it should have been a surprise when his resignation from the CIA was accepted so quickly, so coolly. But it wasn't surprising at all. Bobby Inman was good, but you can make a lot of enemies what way.

What did Inman in, in a moment.

* * *

RATHER: The boys in the KGB must be toasting each other, because Bobby Inman was just the kind of guy they didn't want as number two at the CIA. Inman was a career Navy man, and they often make it big in American intelligence. Usually they're "Damn the torpedoes. Let's have an adventire" types. But not Inman. He was, to begin with, brilliant. In 20years as an intelligence specialist, he mastered the intricacies of standard, orthodox intelligence-gathering, and then he mastered the technology of intelligence. He was thoughtful, as in full of thought. He had a deep, sharp sense of the place of intelligence, a sharp sense of its inherent limits and its ethical limits. He pondered how to have a first-rate intelligence-gathering operation without endangering civil liberties.

This was -- how to put it? -- not entirely in tune with the foremost concerns of others in the Reagan Administration. And this became quickly apparent.

Inman's boss at the CIA was William Casey, not a professional intelligence man, but a professional politician. Ronald Reagan's former campaign manager, in fact. It was said that a

clash was inevitable, and it probably was. Inman and Casey had different backgrounds, but they also had different outlooks. Casey supported expanding the CIA's powers to domestic surveillance. Inman didn't.

So, Inman had a problem, and soon he had two. The second was National Security Adviser William Clark. Clark and Ronald Reagan go way back. They're old personal and political friends. It was Reagan who appointed Clark judge to the California bench.

At any rate, the President wanted Clark to work in the White House, and he put him in charge of the National Security Council after Richard Allen left. Clark is said in some circles to be the second most powerful man in the White House these days, and it wasn't good news for Inman when Clark made it clear that he was eager to beef up domestic intelligence operations, eager to include domestic surveillance, if necessary, among its duties. Inman still resisted. But now he had two problems: Casey and Clark.

Soon he had three. The third problem was the persistent story that it may have been Inman who leaked the story of the U.S.-backed counterinsurgency forces being trained on the Nicaraguan border. Their purpose to destabilize the Sandinista government. The story goes that Inman thought it was a bad idea. How to stop it? Reveal it. Put a little sunshine on it. Get people talking. It did, at the White House. Ronald Reagan, the story goes, was told Inman was not a team player.

There were other things. Even admirals don't get rich in the Navy. Inman has a family and college bills, and private industry was calling and ready to reward Inman's expertise with money.

But the fall of Inman is really the fall of a man whose philosophy and convictions had grown untashionable; the fall of a man whose enemies were less gifted, perhaps, but all too numerous; the fall of an intelligence professional who jousted with political professionals and lost.

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FOR PUBLIC AFFAIRS STAFF

PROGRAM All Things Considered... STATION WETA FM NPR Network

DATE April 22, 1982 5:00 PM CITY Washington, DC

SUBJECT Rositzke Discusses Inman

SANFORD UNGAR: Harry Rositzke retired from the CIA in 1970, after 25 years in the agency. He says that a resignation at Inman's level can only be harmful to the CIA.

HARRY ROSITZKE: It's another blow against what, I suppose, the general opinion would be of the stability -- and since most people don't know what's going on inside, also further evidence of internal difficulties.

UNGAR: A blow to its stability, you mean, because of the fact that when you have an old-time professional intelligence person leaving, that means there must be something wrong?

ROSITZKE: That certainly is part of it. But I think the the whole position of the Director and the Deputy Director is an extremely odd one, and really hasn't worked out unless the deputy was a relatively weak person.

For many directors, the job was to be the head of all the government's intelligence community and since he, theoretically could not also run the agency, the deputy's job was to run the agency. Well, that, I think, has never really worked out because no director is going to sit up there and not have a large hand in certainly directing the activities of the deputy director of operations.

UNGAR: I know you've been out of the agency for some time, but what was the view, as far as you knew, within the CIA of Bobby Inman?

ROSITZKE: The only reaction I've got from some of the senior people is that he's a highly competent administrator and intelligence man. He probably represents the best combination of that we've had among the military men who've been deputy director. So I would suspect that from inside the reaction would be rather distressing.

UNGAR: Does it make any difference in the public and to the country who's deputy director of the CIA?

ROSITZKE: I personally don't think it's ever made very much difference over the years because most years I've worked there, from Dulles on, the director, the number one man was so clearly the head of the outfit that his deputies, they could come and go without much impact, certainly, on what recognize as the operational end of CIA.

I think the impact on the public would be mainly well, there seems to be something wrong down there at CIA again.

UNGAR: How is Mr. Casey doing as director of the CIA? Has his reputation recovered; has his ability to operate recovered after the controversies of the last year?

ROSITZKE: Well, that I really don't know from the point of view of people within the agency itself. I think, again, externally, there have always been these odds and ends coming up on his past business life, the last of which, I guess, was cleared several weeks ago.

But the mere fact that he is a personality, complex, without an intelligence background, and also, I suppose you could say, the kind of talk that goes on in town about a conspicuous personality like him, this does the CIA no good for the simple reason that the agency should be as absolutely anonymous and apolitical as possible.

UNGAR: Of course he did have an intelligence background in the OSS during World War II.

ROSITZKE: Well, there's -- yeah. And I knew Bill in the old days. But running agents through the Lowlands, France, and Germany, which we were engaged in then, is a far cry from directing espionage operations in peacetime.

UNGAR: Harry Rositzke worked in the CIA for 25 years.

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FOR PUBLIC AFFAIRS STAFF

PROGRAM Morning Edition STATION WAMU Radio NPR Network

DATE April 22, 1982 7:15 AM CITY Washington, DC

SUBJECT Admiral Inman

CARL CASSELL: Admiral Bobby Inman, the number two man at the Central Intelligence Agency, has quit. Many in Washington are trying to figure out why.

There are reports that the four-star Admiral may have been pushed out, or decided to resign because his work will soon be questioned. Barry Schweid has a report.

BARRY SCHWEID: According to some sources, Inman was unhappy with the White House's decision to review some intelligence operations, especially the way the United States checked up on Soviet missile tests. But there was no public sign of discord.

In an exchange of letters, President Reagan accepted Inman's resignation with deep regret. At the CIA and in Congress, the Admiral was highly regarded as a top-notch professional. He is credited by liberals and moderates with helping to tone down Administration moves to involve the CIA in domestic surveillance.

For National Public Radio, this Barry Schweid in Washington.

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FOR PUBLIC AFFAIRS STAFF

PROGRAM All Things Considered... STATION WETA FM
NPR Network

DATE April 22, 1982 5:00 PM CITY Washington, DC

SUBJECT Schorr's Commentary on Inman

SANFORD UNGAR: Admiral Bobby Inman, the former Director of the National Security Agency announced yesterday that he is retiring as Deputy Director of the Central Intelligence Agency.

Inman, who is 51-years old says he wants to work in the private sector, so he will also retire from the Navy.

Inman was regarded by many people in the Regaan Administration to be too moderate but commentator Daniel Schorr says there may be other reasons for the Admiral's decision.

DANIEL SCHORR: His objections to CIA spying at home into hastily conceived covert operations abroad may have made Admiral Inman seem too liberal for a right-wing Administration. But more to the point was his defense of professionalism against the harnessing of intelligence to ideological purposes.

Inman opposed a Reagan executive order easing restraints on domestic surveillance and breakins less from scruples about civil liberties than a conviction that an intelligence agency functions better under professional discipline.

More recently he was fighting a National Security Council plan to elevate counterintelligence into a separate, centralized agency.

Inman was appalled to find that an avowedly security conscious Administration had no compunction about leaking sensitive intelligence information for political and ideological reasons.

In trying to keep leaks from compromising intelligence sources, Inman may have put his own credibility into question.

He helped to spread word that reports of Libyan hit men gunning for President Reagan had come, not from American intelligence but from a foreign embassy.

He tried to discredit basically accurate reports of plans for a guerrilla force in Honduras to operate against Nicaragua.

He tried to squelch an accurate report that American intelligence was aiding Britain in the Falkland Island dispute.

Inman had quietly run a bigger and more secret agency than the CIA, the National Security Agency and it was depressing to be number two to William Casey, who became the subject of a highly publicized investigation, as did his crony, the Chief of Clandestine Operations, Max Hugel. Hugel was forced out and Casey was look-warmedly judged not unfit to serve by the Senate Intelligence Committee.

Congressional sources quote Inman as saying about his own resignation, I have never enjoyed being number two.

Indeed, he was, and remains the candidate of the committee's chairman, Senator Barry Goldwater, to be number one.

Goldwater, retired reserve Air Force general shares with the retiring Navy admiral a conviction that intelligence should be run by a professional.

That raises the question of whether Inman's resignation which the White House delayed almost a month in announcing, was prompted exclusively by a wish to make money in private life, or whether Inman, the subtle intelligence professional is deliberately raising a storm on Capitol Hill that may eventually help to bring Inman back as number one.

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STATINTL

FOR PUBLIC AFFAIRS STAFF

PROGRAM Morning Edition STATION WAMU Radio NPR Network

DATE April 22, 1982 8:05 AM CITY Washington, DC

SUBJECT The Resignation of Admiral Inman

BOB EDWARDS: The number two man in the Central Intelligence Agency has submitted his resignation. The Agency's Deputy Director, Admiral Bobby Ray Inman, told President Reagan of his decision a month ago, and yesterday the President accepted that resignation with deep regret.

NPR's Alan Burlow has this report.

ALAN BURLOW: Inman was one of the most highly respected and trusted intelligence officers in the country. He is the man many congressmen, senators, and intelligence professionals hoped would be appointed CIA Director when President Reagan took office. He is also the man many hoped would replace CIA Director William Casey when he came under fire from the Senate Intelligence Committee last year.

Even during Casey's own confirmation hearings, Bobby Inman emerged as everybody's favorite spy. Senator Barry Goldwater urged Casey to hire Inman as his deputy, and others, including Joseph Biden, joined the chorus of praise for Inman.

SENATOR JOSEPH BIDEN: Unquestionably the absolute best person in every respect that has ever testified before this committee is Admiral Inman. In my opinion, he's the single most competent man that exists in the entire United States of America regarding the intelligence community. He is super, super competent, forthcoming, honest, and very, very, very, very good.

BURLOW: So why is Inman leaving? Inman says he accepted the job of Deputy CIA Director to help rebuild the Agency but that he accepted it reluctantly. Inman did not want to leave the National Security Agency, which he headed, to take the number two job at CIA.

One source who discussed the resignation with Inman quoted him as saying it was difficult for someone with his personality to work under someone else. Inman told the President he felt it was time to move on to fresh challenges.

A congressional source said Inman has had several extremely lucrative offers from private industry, offers he did not care to discuss. Inman says money, specifically, the need to put two sons through college, was an important factor in his decision.

There are also reports, however, of policy disagreements between Inman and Casey. Casey insists suggestions that he and Inman had anything less than a good working relationship are, quote, a goddamned lie and irresponsible. Inman also said policy differences were not the reason he was leaving.

It is no secret that Inman has fought hard to defend his views of the mission of the CIA, and that Inman's views have not always squared with those of others in the Agency and the White House. Inman resisted efforts to greatly expand CIA spying within the United States, but he eventually endorsed a Reagan Executive Order which did increase CIA authority to spy on Americans, and for the first time gave the Agency limited authority to conduct covert operations within the United States. Inman said the Order, which was released last December, protected the rights of Americans.

ADMIRAL BOBBY INMAN: There must be no doubt that the rights of Americans will be respected and preserved during the couse of intelligence activities that may affect them.

BURLOW: thewre is no word on a sucessor to Inman. He could leave as early as June, or as late as Labor Day. He told the President he would say until a successor is found.

I'm Alan Burlow in Washington.

[redacted]

ARTICLE APPEARED
ON PAGE 6.

NEW YORK DAILY NEWS
22 April 1982

CIA ADMIRAL WEIGHS ANCHOR

By JOSEPH VOLZ

Washington (News Bureau)—Adm. Bobby R. Inman, a highly regarded career intelligence officer, quit abruptly last night as deputy director of the Central Intelligence Agency amid reports he was concerned that the spy agency was going to move into domestic snooping.

After news of Inman's planned departure leaked on Capitol Hill, the White House released an exchange of letters between Inman, 51, and President Reagan.

Inman praised Reagan for "the commitment you have made to rebuild" the CIA. And Reagan said he accepted the resignation—effective when a successor is found—"with deep regret."

But reliable sources said Inman was deeply perturbed at what he believed was a strong push by CIA Director William Casey to involve the agency in domestic activity. Recently, Inman told the Senate Intelligence Committee that "the job of the CIA is abroad. The CIA has no business involving itself in domestic operations."

Inman reportedly also has been worried about "crackpot" proposals for covert operations overseas on which he was asked to pass. He was particularly upset by one sabotage operation planned on behalf of the Israelis.

Inman plans to go into private industry. Administration sources said he had intended to quit at the end of last year but stayed on at the President's request.

Among those mentioned as his successor was John McMahon, a top CIA official in charge of intelligence analysis. It is customary, however, to have a military officer in one of the two top posts at the CIA.

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ON PAGE A-30

NEW YORK TIMES
22 APRIL 1982

[redacted]

Letters

Cryptographers Ready to Resist Smothering

To the Editor:

In your April 12 editorial "Smothered by a Security Blanket," you state that the small group of researchers working in the mathematics of codes and code-breaking agreed voluntarily to submit their articles for approval before publication.

This is not true for M.I.T. Laboratory for Computer Science researchers. We undertook, on our own initiative and three years before Admiral Inman's request, to send all cryptography-related articles to the National Security Agency at the same time we send them to colleagues for comment.

This M.I.T. policy, accepted by the N.S.A., differs significantly from the Inman request in that the write-ups are sent to inform the N.S.A. of our work rather than to obtain permission for publication. If the N.S.A. becomes concerned about our publishing such material — and this has not happened with the 40 papers sent to date — it can join us in discussion toward informal resolution of the conflict. In the absence of such resolution we may resort to existing laws on classification or adjudication by the courts.

This apparently subtle difference is significant because it preserves the independence of the university in the pursuit of unclassified knowledge — an essential and proven balance for the well-being of our nation. This is particularly true in cryptography, which, besides being useful to governmental communications and intelligence, is also critical for protecting information in the rapidly evolving computer-communications environment.

MICHAEL L. DERTOUZOS
Director, M.I.T. Laboratory
for Computer Science
Cambridge, Mass., April 14, 1982

[redacted]

ASSOCIATED PRESS
22 April 1982

BY MICHAEL J. SNIFFEN

WASHINGTON (AP) -- A SECRET COUNTERINTELLIGENCE STUDY ORDERED BY PRESIDENT REAGAN HAS BEEN NARROWED TO OVERCOME INITIAL OBJECTIONS BY DEPUTY CIA DIRECTOR ADM. BOBBY R. INMAN AND OTHER TOP CIA AND FBI OFFICIALS, THREE GOVERNMENT SOURCES SAID THURSDAY.

THE SOURCES, ALL OF WHOM HAVE ACCESS TO INFORMATION ABOUT THE PROJECT, SAID THAT AN AGENDA FOR THE STUDY WAS APPROVED WEDNESDAY BY AN INTERAGENCY WORKING GROUP CHAIRED BY JOHN KOHLER, CHIEF OF THE INTELLIGENCE COMMUNITY STAFF.

THE SOURCES SAID THAT THE AGENDA DID NOT CALL FOR WORK ON THE ORGANIZATION OF U.S. COUNTERINTELLIGENCE AGENCIES OR ON SUCH ESOTERIC TOPICS AS DECEPTIVE SOVIET MISSILE TELEMETRY, TWO TOPICS THAT SOME TOP OFFICIALS HAD FEARED MIGHT BE INCLUDED IN THE STUDY.

INMAN, WHO ANNOUNCED HIS INTENTION WEDNESDAY TO RESIGN FROM THE GOVERNMENT TO ENTER PRIVATE BUSINESS, HAD BEEN AMONG THOSE OFFICIALS SEEKING TO NARROW THE STUDY.

SOME SOURCES HAVE SAID THAT THE DISPUTE OVER THE STUDY MAY HAVE BEEN ONE FACTOR IN INMAN'S DECISION, BUT THOSE CLOSEST TO THE 51-YEAR-OLD ADMIRAL SAID THAT WAS A MINOR FACTOR COMPARED TO OTHERS SUCH AS HIS DESIRE TO CREATE A SECURE FINANCIAL FUTURE FOR HIS CHILDREN THROUGH MORE LUCRATIVE PRIVATE WORK.

THE SOURCES SAID THAT THE IDEA FOR THE STUDY BEGAN WITH VERY CONSERVATIVE MEMBERS OF THE NATIONAL SECURITY COUNCIL STAFF AND THE SENATE INTELLIGENCE COMMITTEE. IN THE PAST, THOSE MEMBERS HAVE CALLED FOR CENTRALIZED COUNTERINTELLIGENCE FILES AND A COUNTERINTELLIGENCE CHIEF OUTSIDE EXISTING AGENCIES WITH POWER TO ASSIGN THE CIA AND THE FBI VARIOUS TASKS.

STATINTL [redacted]

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ON PAGE 1.

BALTIMORE SUN
22 April 1982

Adm. Inman resigns from No. 2 CIA post

By Henry Trewhitt
and Charles Corddry
Washington Bureau of The Sun

Washington—Adm. Bobby R. Inman resigned as deputy director of central intelligence yesterday, exchanging cordial letters with President Reagan that an informed official said cloaked differences with the current system.

In a telephone interview, however, Admiral Inman said reports that policy disagreements prompted his departure were "really not valid. Somebody's trying to make a good story that's not there. . . . I've had my share of bureaucratic battles. . . . I've won more than my share—I'm not stomping off angry."

In his letter of resignation, released by the White House, Admiral Inman, 51, praised Mr. Reagan's actions to strengthen the intelligence system. In turn, Mr. Reagan accepted the resignation with "deep regret" and thanked the admiral for his achivements in a 30-year Navy career—most of it in intelligence work.

Admiral Inman said he also will resign his Navy commission unless he receives another active-duty assignment, which "I do not anticipate." He would remain until a successor is confirmed by the Senate, he said—he hoped by the end of next month.

He took the job as deputy director "reluctantly" last year, the admiral recalled, and he believed that "the initial challenge has now been met." One report said he will enter private business, where his expertise in high technology presumably would be in great demand.

The admiral indicated that he had hoped to leave government service and start a second career when he left his job as head of the National Security Agency and was persuaded, instead, to take the CIA job in the Reagan administration.

"When I was leaving the NSA job, I'd had a super time [like] running a large corporation. It was fun and I thought that was the right time to transfer to a new life-style," said the admiral, who ran that supersecret code and surveillance agency for four years.

"My arm was twisted, that's no secret, to help the new administration to get itself organized. The temptation that led me to accept was the commitment that they would set out to do a long-range rebuilding program. That's been done. The plan has been endorsed . . . the money and people are beginning to flow."

As in Admiral Inman's personal explanation, there was no hint of ill feeling in the formal exchange with the president. But an official who watches the intelligence community closely said Admiral Inman "did not see eye to eye" with William J. Casey, who as director of central intelligence and head of the Central Intelligence Agency is his boss.

This source and others with the same view were unable to give examples, however. One said merely that Mr. Casey allowed Admiral Inman to take responsibility for mistakes and retained credit for himself.

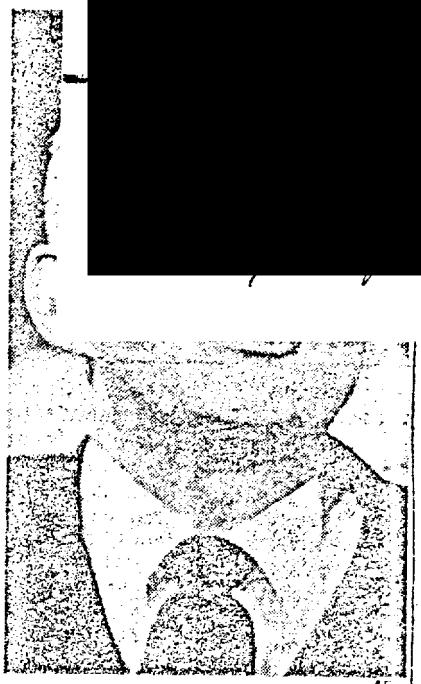
"Have I had various bureaucratic disagreements?" Admiral Inman asked, echoing an interviewer's question. "The answer is absolutely yes." But, he went on, "in most cases" they were resolved in good working relationships. Asked about his boss at the CIA, Mr. Casey, Admiral Inman replied, "Ours is a cordial relationship."

The admiral said his plans are open, adding that he had been planning his departure since last month. "I sent the letter off in March to get them off the dime to address the fact that this summer I really want to do fresh things. . . . It was time to get on with my second career."

The admiral is a great favorite with Congress, having received Senate confirmation last year by a 94-0 vote. His self-effacing, fact-loaded briefings have been praised by liberals and conservatives alike.

Early last year, his testimony before the Senate Intelligence Committee defused concern over reported administration plans to authorize CIA spying on American citizens and conduct covert operations in the United States. The admiral made it clear, Senator Daniel Patrick Moynihan (D, N.Y.) reported, that "the job of the CIA is abroad."

After that, the guidelines for intelligence activity went through several drafts, finally emerging in an executive order by Mr. Reagan on December 4. The long document in fact authorized intelligence agencies to collect information at home and the CIA, for the first time, to conduct domestic



ADM. BOBBY R. INMAN
. . . plans second career at 51

It broadened the activities permitted in guidelines fixed by former President Carter. But it did not go as far as some Reagan administration officials had proposed in early drafts.

The order says that the domestic activities must not be "intended to influence United States political processes, public opinion, policies or media, and do not include diplomatic activities." They must be reported to the intelligence committees of both houses of Congress.

There was some concern that Admiral Inman's absence may result in the guidelines being tightened again. Senator Joseph R. Biden, Jr. (D, Del.) was quoted last night as saying that "without him, the intelligence agencies may be given license to try all kinds of questionable things here and abroad."

At 51, Admiral Inman looks even younger. His career was meteoric, especially since he graduated not from the Naval Academy but from the University of Texas, in 1950, as a reserve officer.

Most of his career has been in intelligence, more recently with emphasis on high technology. It was the prime consideration in his work as director of the National Security Agency—which makes and breaks codes and conducts electronic surveillance—from 1977 until he was assigned to the CIA.

Earlier assignments ranged from assistant naval attache in Stockholm to assistant chief of staff for intelligence in the Pacific fleet during the

ARTICLE APPEARED
ON PAGE A-1

NEW YORK TIMES
22 APRIL 1982

Inman to Leave Post as Deputy To C.I.A. Chief

By PHILIP TAUBMAN
Special to The New York Times

WASHINGTON, April 21 — Adm. Bobby R. Inman, who took positions on intelligence and foreign affairs that often brought him into conflict with Reagan Administration policy, has decided to resign as Deputy Director of Central Intelligence, the White House announced today.

Admiral Inman is the first senior national security official to resign voluntarily from the Reagan Administration for reasons related, at least in part, to policy disagreements.

The White House, in a statement, said that Admiral Inman, 51 years old, who will also resign from the Navy, had planned to leave Government service for several years but was persuaded by President Reagan last year to accept his current job and postpone his retirement for 18 months.

Clashes and Frustration Reported

As word of Admiral's Inman's decision spread, members of the Senate and House intelligence committees said they were stunned by the news and concerned that the loss of his moderate viewpoint might clear the way for intelligence agencies to expand their operations in ways that might threaten civil liberties. [Page A26.]

Associates of Admiral Inman, as well as several senators, said that his departure, expected to become effective by midsummer, was prompted by a series of clashes with the White House and mounting frustration over the direction of the Administration's intelligence and foreign policies.

They said that Admiral Inman, whose views are generally considered more liberal than those of other senior officials, was particularly irritated by the White House national security staff, which he apparently felt was obstructing the working out and carrying out of intelligence policy. Admiral Inman said tonight that his departure was primarily a result of his long-standing desire to leave the Government but was also prompted by other concerns, including "steadily diminishing tolerance for petty bureaucratic intrigue."

United Press International
Adm. Bobby R. Inman

One member of the Senate Intelligence Committee said, "You can't imagine the number of times he came up here and had to defend policies it was obvious he disagreed with."

Senator Joseph R. Biden Jr., Democrat of Delaware, said: "Inman believes a nation can have both effective intelligence agencies and civil liberties. Without him, the intelligence agencies may be given license to try all kinds of questionable things here and abroad."

Senior Administration officials minimized Admiral Inman's frustrations. William J. Casey, the Director of Central Intelligence, denied that Admiral Inman was disillusioned with Administration policies. "There are always disagreements among officials," Mr. Casey said in an interview. "That's nothing new."

He added that he had a good working relationship with Admiral Inman. Other intelligence officials said that the relationship between the two men was frequently strained.

A senior White House official, who asked not to be identified, acknowledged that Admiral Inman had clashed with the staff of the National Security Council, but added that those differences had been resolved, and expressed doubt that they had played a role in the admiral's decision to resign.

"I don't think there's any big mystery," the official said, adding that he thought Admiral Inman simply wanted to go into the private sector.

Recently, White House officials said, Admiral Inman disagreed with a proposal drafted by the National Security Council staff to reorganize United States counterintelligence activities by creating a new central agency that would take over management of responsibilities now in the hands of the C.I.A. and the Federal Bureau of Investigation.

President Reagan praised Admiral Inman for his "leadership and wise counsel" in a letter accepting the Admiral's resignation that was made public by the White House today. It was dated April 21. Noting that he accepted the resignation with "deep regret," Mr. Reagan stated, "You leave the intelligence community in a strengthened and enhanced posture."

Seeking 'Fresh Challenges'

The White House also made public a letter to the President from Admiral Inman, dated March 22, in which Mr. Inman wrote that he wanted to leave Government service to "move on to fresh challenges." Mr. Inman wrote that he originally accepted the deputy directorship "reluctantly."

Bobby Ray Inman, born in Rhonesboro, Tex., entered the Navy in 1952, rising through the ranks rapidly. He began specializing in intelligence work in 1961, serving as chief intelligence officer for the Seventh Fleet, naval attaché in Sweden and Director of Naval Intelligence. Before becoming director of the National Security Agency in 1976, he also served as vice director of the Defense Intelligence Agency.

When Admiral Inman was recruited for the job in January 1981, he was serving as Director of the National Security Agency, the nation's largest intelligence agency, which uses satellites and other advanced electronic equipment to monitor worldwide communications. It is also responsible for cracking enemy codes and developing unbreakable ciphers for the United States.

Admiral Inman reportedly resisted the move to become Deputy Director of Central Intelligence, a job that carries the dual responsibility of being the nation's No. 2 intelligence officer and being second in command of the Central Intelligence Agency. He preferred the undiluted authority of running his own

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R W

INMAN

BY DONALD A. DAVIS

22 April 1982

WASHINGTON (UPI) -- ADM. BOBBY RAY INMAN IS GIVING UP HIS POST AS AMERICA'S FORENOST INTELLIGENCE OFFICIAL, BUT WILL STAY ON AS DEPUTY DIRECTOR OF THE CIA LONG ENOUGH TO PROVIDE A SMOOTH TRANSITION FOR HIS SUCCESSOR.

THE RESIGNATION OF THE 51-YEAR-OLD, FOUR-STAR ADMIRAL WAS MADE PUBLIC WEDNESDAY BY THE WHITE HOUSE AND ACCEPTED BY PRESIDENT REAGAN WITH "DEEP REGRET."

RECOGNIZED BOTH INSIDE AND OUTSIDE THE INTELLIGENCE COMMUNITY AS THE COUNTRY'S MOST EXPERIENCED AND EFFECTIVE SPYMASTER, INMAN SAID ONLY "IT WAS TIME I MOVE ON TO FRESH CHALLENGES."

"THE NATION'S FINEST PROFESSIONAL INTELLIGENCE OFFICER," HOUSE INTELLIGENCE COMMITTEE CHAIRMAN EDWARD BOLAND, D-MASS, CALLED INMAN. "THE NATION -- AND THE INTELLIGENCE COMMUNITY -- IS MUCH THE BETTER FOR HIS HAVING PASSED THIS WAY."

SIMILAR SENTIMENTS WERE VOICED BY OTHER MEMBERS OF CONGRESS.

INMAN, WHO ALSO INTENDS TO RESIGN FROM THE NAVY, SAID HE WILL CONTINUE TO SERVE AS THE TOP AIDE TO CIA DIRECTOR WILLIAM CASEY UNTIL HIS SUCCESSOR IS CONFIRMED BY THE SENATE. WHITE HOUSE SOURCES SAID DIFFICULTY IN REPLACING INMAN WITH A TOP MILITARY MAN WAS THE REASON HIS RESIGNATION WAS KEPT SECRET.

THE CIA TRADITIONALLY HAS HAD A CIVILIAN AND A MILITARY OFFICER IN ITS TOP TWO POSTS. MILITARY OFFICERS ARE BARRED FROM OCCUPYING BOTH POSITIONS.

THERE WAS SPECULATION IN THE INTELLIGENCE COMMUNITY THAT JOHN MCMANN, THE CIA'S EXECUTIVE DIRECTOR AND NO. 3 OFFICIAL, MIGHT GET INMAN'S JOB. MCMANN, 52, WAS DESCRIBED BY INTELLIGENCE OFFICERS AS "AN EXCELLENT MANAGER."

THEY SAID MCMANN IS A CAREER INTELLIGENCE OFFICER WHO HAS SERVED IN ADMINISTRATION, TECHNICAL PROJECTS AND AS HEAD OF THE AGENCY'S CLANDESTINE OPERATIONS DIVISION.

ALSO MENTIONED PROMINENTLY AS A POSSIBLE SUCCESSOR TO INMAN WAS GEN. LEW ALLEN JR., 56, WHOSE FOUR-YEAR TERM AS AIR FORCE CHIEF OF STAFF CONVENIENTLY ENDS JUNE 30.

(0008)

WALL STREET JOURNAL
22 April 1982

CIA's Deputy Director Inman Is Quitting In Apparent Flap Over Domestic Spying

By Gerald F. Seib
Staff Reporter of The Wall Street Journal

WASHINGTON—Bobby Inman is resigning as deputy director of the Central Intelligence Agency, a move that government sources believe was prompted by a dispute over plans for domestic intelligence activities.

The CIA yesterday sent congressional committees a message saying President Reagan "regretted" that Adm. Inman is resigning from the agency and retiring from the Navy. The message said Adm. Inman was quitting to "enter the private sector."

White House officials insisted that Adm. Inman, who is highly regarded in Congress and the U.S. intelligence community, had intended to quit after the Reagan administration had been in office about 18 months. But congressional aides and other officials say his departure seemed to be prompted by a disagreement with other administration officials over how to conduct counterintelligence operations in the U.S.

The sources said Adm. Inman objected to a new directive the White House approved on counterintelligence operations. He reportedly felt the new procedures allowed intelligence agencies to get too heavily involved in spying activities in the U.S. Also, sources said, he was miffed because the White House didn't allow him a greater voice in shaping the intelligence procedures.

Last year, Adm. Inman battled with White House officials over the wording of a broader executive order governing all intelligence activities, complaining that it would allow the CIA to conduct operations against U.S. citizens. The order was held up for months and eventually was modified to overcome most of his objections.

The departure of Adm. Inman is sure to create problems for the administration in Congress. Many influential lawmakers hold him in higher esteem than they do CIA Director William Casey, and they hoped Adm. Inman eventually would move to the CIA's top position.

Some of the congressional clamoring for Mr. Casey's resignation during a Senate investigation of his finances last year stemmed from a desire for Adm. Inman to move up. Lawmakers have contended that they get a clearer picture of CIA activities from Adm. Inman than from Mr. Casey.

Administration aides said they hadn't yet begun to consider a replacement for Adm. Inman. He plans to remain in his post until a successor is named, probably early this summer, administration officials said.

Despite the congressional suspicions of a high-level disagreement, administration aides contended that there weren't any bureaucratic battles that led to Adm. Inman's resignation. They noted that he had been tempted to take a job in business last year and had to be persuaded to take the CIA post in the first place.

At that time, Adm. Inman complained that he could make far more money by accepting lucrative private-sector jobs than he could by remaining in government service. To persuade him to take the CIA job, President Reagan agreed to promote him to full admiral from rear admiral, making him the first naval intelligence specialist to reach that rank.

Before taking the CIA job, Adm. Inman had been director of the National Security Agency, a secretive Pentagon organization that monitors radio and satellite communications; earlier, he was director of naval intelligence.

After taking the CIA post, Adm. Inman confided to associates that he found it difficult to serve as No. 2 man after directing the NSA. Some intelligence officials speculated earlier that Adm. Inman might look for another job if it seemed that Mr. Casey wasn't stepping aside soon.

Adm. Inman has been handling much of the day-to-day operations of the CIA, intelligence officials said. Mr. Casey has focused more on coordinating the activities of the CIA and other U.S. intelligence organizations and has devoted a great deal of time to his duties as a member of the Cabinet. Past CIA directors haven't been Cabinet members.

Adm. Inman has been stressing that the CIA needs to beef up its analytical staff and focus more on international economic issues rather than merely political and military issues. For instance, agency analysts recently began compiling forecasts of global economic problems in the next decade or so.

The administration is likely to look for a military officer to take Adm. Inman's place. The No. 2 post at the CIA customarily is filled by a military official; a civilian has the top post.

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[redacted]

STATINTL

FOR PUBLIC AFFAIRS STAFF

PROGRAM CBS Morning News STATION WDVM-TV CBS Network

DATE April 22, 1982 7:30 A.M. CITY Washington, D.C.

SUBJECT Admiral Resigning

DIANE SAWYER: Surprise and dismay are the reactions in Washington to the word that Admiral Bobby Inman is resigning as the Deputy Director of the CIA and ending his 30-year career in the Navy. Inman is widely considered this country's best professional spy.

Robert Schakne reports on the public and private comments about his departure.

ROBERT SCHAKNE: Admiral Inman has told associates he's resigning partly for personal financial reasons. With children nearing college age, he plans to take a job in the private sector. But Inman has also told associates he does not enjoy being number two to CIA Director William Casey. He and Casey have not always agreed. And Inman is well aware that a number of senators and congressmen think that he, and not Casey, should be running the agency.

His resignation letter suggests he'd stay on with a better government job. He's retiring, he wrote the President, "in the absence of another active duty assignment, which I do not anticipate."

Admiral Inman has had his share of public differences with the White House national security staff. A year ago, when the White House drew up proposed new guidelines putting the CIA into domestic intelligence gathering, Inman called the proposals repugnant, and he threatened to quit.

Inman is a favorite among members of congressional intelligence committees.

MAN: He'd built up a reservoir of trust that nobody else has. And you're not going to replace that overnight.

SENATOR DANIEL PATRICK MOYNIHAN: And let me say that it is a blow to the intelligence community. He is a master technician and a person much involved in intelligence.

SCHAKNE: Inman has told friends on Capitol Hill he's not leaving because of any policy difference. Still, his departure is likely to cause a lot of uneasiness in Congress, where Bobby Inman is highly regarded and trusted, and William Casey is not.

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STATINTL

FOR PUBLIC AFFAIRS STAFF

PROGRAM CBS Morning News

STATION WDVM-TV
CBS Network

DATE April 22, 1982 7:00 A.M.

CITY Washington, D.C.

SUBJECT Admiral Inman Looks for Fresh Challenges

DIANE SAWYER: There's a hot new topic for speculation in Washington today: why Admiral Bobby Inman is quitting as Deputy Director of the CIA. Inman, who's also retiring from a 30-year Navy career, says he's looking for fresh challenges in private life. But people in the intelligence community and on Capitol Hill, where Inman is highly respected by almost everyone of every political stripe, say they think Inman just is fed up because of policy disputes with the White House, and reportedly some personal friction with CIA Director William Casey.

ARTICLE APPEARED
ON PAGE A-36

NEW YORK TIMES
22 APRIL 1982

LAWMAKERS VOICE DISMAY OVER INMAN

Admiral Described as 'Our Link to Reality and Credibility'

By ANN CRITTENDEN
Special to The New York Times

WASHINGTON, April 21 — Congressmen on both sides of the aisle and at each end of the political spectrum reacted with dismay today to the sudden resignation of Adm. Bobby Inman as Deputy Director of Central Intelligence.

"I don't know of any other person in the business who commands the same credibility and respect on both sides of the aisle," said Representative C. W. Bill Young, Republican of Florida, a minority member of the House Permanent Select Committee on Intelligence.

Norman Y. Mineta, Democrat of California, another member of the committee, said, "I'm thoroughly disappointed. He was our link to reality and credibility."

Remarking that Admiral Inman was consistently responsive to Congressional requests for information, Representative Mineta recalled a hearing in which Representative Romano L. Mazzoli, Democrat of Kansas, had asked Mr. Inman, "Do we have to ask you the right question in order to get what we need?" The response, Mr. Mineta said was, "Absolutely not."

'He Was Very Open'

"When he came before the committee he was very open," Mr. Young said. "If he felt he wasn't being asked the right questions, he would volunteer information. That's very unusual in his business."

"I can understand why he might want to get out of this business," Mr. Young went on. "It's a very depressing business. I know he was really frustrated at not being able to make public a lot of information about Nicaragua and El Salvador, because of the danger of compromising intelligence sources. I had the same frustration."

Soon after Admiral Inman came on the job, there were rumors that a new executive order was being prepared to permit the Central Intelligence Agency to engage in domestic spying. Admiral Inman appeared on a popular television show and stoutly denied that such a broadening of the agency's authority would occur.

"Instead of battling it out within the circles there, he took it public," Mr. Mineta said.

On the Senate side, Senator Daniel K. Inouye, Democrat of Hawaii, issued the following statement: "I regret very much the Admiral's resignation. The intelligence community, and more importantly, the nation, will lose the services of a most dedicated and talented intelligence officer. I will miss him and I wish him the very best in his future endeavors."

ARTICLE APPEARED
ON PAGE A1

THE WASHINGTON POST
22 April 1982

Leaving for Private Industry

Adm. Inman Quitting No. 2 Job at CIA

By George C. Wilson and George Lardner Jr.
Washington Post Staff Writers

Adm. Bobby Ray Inman is quitting as deputy director of the Central Intelligence Agency, the White House announced yesterday.

Inman, 51, formerly director of the National Security Agency and highly regarded in intelligence, plans to go into private industry where, as one who knows him well put it, "he can get back to running something."

Inman last year made no secret of his reluctance to give up the number one job at the NSA, the agency that collects most of its intelligence through electronic intercepts, to become the number two executive at the CIA under William J. Casey. In his year as deputy director of the CIA, Inman has received high marks from influential senators and representatives but has waged bitter, behind-the-scenes battles with officials in the White House National Security Council.

One big issue, administration sources said, was the extent of CIA spying within the United States. Inman resisted going as far as some NSC officials desired, but ended up endorsing President Reagan's decision to authorize covert CIA activities in this country. Historically domestic intelligence has been the province of the Federal Bureau of Investigation with the CIA limiting its intelligence collection to overseas.

White House sources said last night that Inman was unhappy with the decision by William P. Clark, Reagan's national security adviser, to review the CIA and defense budgets. Inman argued that the White House was getting too deeply into the agency business, but did not resign for that reason, they said.

There also have been reports that Inman chafed under Casey's brand of leadership, once calling the director "the wanderer" because of his penchant for flying off to hotspots all around the world. Other sources said yesterday that Inman also felt Casey had too much enthusiasm for risky CIA undertakings overseas.

Inman told The Washington Post that he wanted to give the administration plenty of notice so it could find a successor and have a smooth transition at the agency. He said he had hoped to leave in June but might stay on until Labor Day.

He denied that he and Casey had been at odds, terming the relationship "cordial."

A big influence on his decision, Inman said, was to increase his income to educate his two sons, aged 16 and 19.

He told President Reagan of his decision to resign in a March 22 letter stating that he felt it was "time that I move on to fresh challenges."

In a response dated yesterday, Reagan accepted the resignation "with deep regret."

"Your dedication and contributions to the United States over more than 30 years of naval service have been of inestimable value," the president told Inman. "You leave the intelligence community in a strengthened and enhanced posture."

The resignation was greeted with dismay on Capitol Hill where Inman was much more popular, among both Republicans and Democrats, than Casey. In fact, Sen. Barry Goldwater (R-Ariz.) and others made it plain immediately after the 1980 elections that Inman was their first choice for the directorship. But Casey wanted the job and had the inside track with the president-elect.

Voicing regret at Inman's leaving, House Intelligence Committee Chairman Edward P. Boland (D-Mass.) called him "the nation's finest professional intelligence officer."

Boland said the committee had been impressed by Inman's "clear command of many difficult and complex subjects . . . his candid opinions and . . . his forthright and honest presentation of the facts."

Casey, by contrast, had been criticized in congressional quarters for being less forthcoming, at least during his first year on the job. Dissatisfaction over Casey's ill-fated choice of a Reagan campaign colleague, Max Hugel, as chief of CIA covert operations led Goldwater last year to call publicly for Casey's resignation.

The White House blunted the drive, partly by letting it be known that Inman had no chance of being named to replace

An articulate and complicated man who often conveyed soothing impressions without actually committing himself, Inman sometimes sounded like a hard-liner, sometimes like the intelligence community's leading defender of civil liberties.

At the outset of last year's prolonged wrangling over a new and less restrictive executive order to govern the intelligence community, Inman predicted publicly that the final order would contain nothing giving the CIA power to carry out covert operations in the United States.

The final order, in December, authorized just that, in support of "objectives abroad." Inman defended the new provisions and contended that they were really limited.

On another occasion, as NSA director, he assured a Senate committee that his agency had no difficulty with the Freedom of Information Act and that he saw no need for major changes. As deputy CIA director, he assailed the law's application to both the CIA and NSA and said it had caused "serious problems" for both agencies.

Asked by a reporter about the shift, he smiled and said he had been less outspoken before "because we couldn't get more before."

ARTICLE APPEARED
ON PAGE 3-A.
PHILADELPHIA INQUIRER
22 April 1982

National and International News in Brief

Sources say the deputy CIA director plans to resign.

Adm. Bobby Inman will quit at the end of May to enter private business, congressional sources told the Associated Press yesterday. Inman was not immediately available for comment and the CIA referred questions to the White House, which itself declined to answer. Inman is a four-star admiral whose speciality is space-age high technology surveillance. He moved through a succession of intelligence jobs until he took over as the second-highest official in the CIA next to director William J. Casey. His previous job was as director of the National Security Agency, which handles the super-secret job of breaking other nations' codes and listening in on radio and satellite communications.

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STATINTL

FOR PUBLIC AFFAIRS STAFF

PROGRAM Independent Network News

STATION WDCA TV Syndicated

DATE April 21, 1982 1:30 AM

CITY Washington, DC

SUBJECT The Inman Resignation

BILL JORGENSEN: William Casey heads the CIA, our Central Intelligence Agency, that four-star Navy Admiral Bobby Inman has been number two man. Now he's leaving, claiming he wants some fresh challenge after having put the agency back on its feet following the Watergate oriented scandal.

But there's more to the story of Inman's resignation, and Barry Schweid has that story.

BARRY SCHWEID: In a dear Bob letter, President Reagan accepted Inman's resignation with deep regret. He thanked the four-star admiral for more than 30 years of government service.

The resignation was sudden. Congressional sources said Inman had a number of lucrative offers from business and decided to accept one of them. A White House official said there weren't any fights, that Inman had simply decided to leave. But sources in the intelligence community raised question marks. They say they didn't know if Inman was leaving voluntarily or had been kicked out.

Relatively non-controversial, Inman stirred controversy in the academic community recently by insisting that research findings bearing on national security be cleared by the government before publication.

The CIA itself has been involved in controversy since the Nixon Administration, when Congress found the CIA engaged in a number of illegal activities.

For Independent Network News, this is Barry Schweid, at the White House.

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[redacted]

FOR PUBLIC AFFAIRS STAFF STATINTL

PROGRAM The MacNeil-Lehrer Report STATION WETA-TV PBS Network

DATE April 21, 1982 CITY Washington, D.C.

SUBJECT Cryptography

ROBERT MACNEIL: In recent months, the Reagan Administration has been trying to clamp down on the flow of sensitive information to the Soviet Union. The Administration sees what it calls a hemorrhage of scientific and technological secrets to the Soviets and other unfriendly countries. The efforts to stop it have caused anxiety in the academic community, particularly the veiled threat of government censorship of scientific information.

Twice in recent months, Admiral Bobby Inman, Deputy Director of the CIA, has told scientists that if they didn't practice voluntary restraint in publishing scientific information, the government might impose it. Many scientists say such restraint would violate their academic freedom and stifle research. They talk of the risks of importing Soviet-style secrecy into American life.

Tonight, how can this country protect national security and yet maintain an open society?

JIM LEHRER: Robin, surprisingly, the area where the conflict has been most severe and most lengthy has been cryptography, the science of codes, making them and breaking them. For centuries, it had been the exclusive, secretly exclusive domain of soldiers and spies. There was no need for civilians to be tinkering around with cryptography. So few did. But along came the computer. Business and industry store much information on computers, information they want to keep private, most particularly from competitors. So suddenly there was a civilian need for cryptography, from computer codes that couldn't be broken. Cryptology researchers in the private domain went to work. Soon the new advances worried the government, particularly the National

Security Agency, the super-secret intelligence agency which does the coding and decoding for the United States Government.

In the late '70s, Bobby Inman was head of NSA, and he declared the unrestrained public discussion of cryptographic research threatened our national security, by making it easier for the Soviets and others to develop better codes and to break ours. The private cryptography community and the government have been sparring over the issue ever since.

MACNEIL: The cryptography issue actually surfaced four years ago, when a computer scientist applied for a patent for a coding device he'd invented. The National Security Agency slapped a secrecy order on his invention, but he fought it and he won.

That led to the formation of a panel to consider the national security aspects in cryptography work. The panel recommended that scientists submit their research to the NSA before publication.

The scientist whose work started the fuss is George DeVita of the University of Wisconsin at Milwaukee.

Why did you fight the agency's order to keep your invention secret?

GEORGE DEVITA: Well, Robin, basically I fought it because I thought it was unecessary to clamp any kind of secrecy on work that's fundamentally a mathematical subject. Its principles are very difficult to really control and to hide. Basically, the encryption algorithms that we tend to devise in the academic community are based on relatively simple mathematical principles and electrical engineering principles. So I found it difficult to see how such principles could in fact be kept under wraps.

But more importantly, I felt that encryption was indispensable to the protection of data, particularly as the society gets more computerized. It has become practically impossible to keep plugging up loopholes in computer systems that keep cropping up every now and then. And I feel that encryption really is the only effective method that we can use to protect that data.

MACNEIL: Things like your bank record or health records or things like that, which are kept on computers, could be -- could be stolen or looked at by people we didn't want to unless they were encoded. Is that it?

DEVITA: Yes. The computerization of society, Robin, has proceeded at an extremely rapid rate. We have thousands of data bases concerning medical records, credit records, our purchasing habits, electronic mail that is coming in rather shortly. All of these data bases and communication networks that are being

established are basically vulnerable to all kinds of attacks. And the only really effective method that we can use to protect data while it is being stored on disks or while it's traveling on the electronic wires is to encrypt these messages or this data.

MACNEIL: How do you know that your particular device was not -- would not have damaged national security if, say, the Soviets had obtained it?

DEVITA: Well, basically, I find the argument that research will lead to any kind of damage or harm to the mission of NSA, and hence national security in general, I find it very difficult to really believe. Because encryption is a very difficult subject matter to control. We're not the only ones who do research on encryption, first of all.

Second, the kind of principles that we engage in are not likely to lead to any kind of accidental discovery of codes that NSA uses, because we don't really know what NSA uses, nor do we want to, for example, know what NSA uses.

And as for the codes leading to any kinds of denial of intelligence gathering to NSA, I'd say the probabiligy of that is rather low. Because, in principle, most of the systems are not unbreakable. In fact, they're breakable. So I find the arguments that we have suddenly devised techniques that would deny NSA the intelligence-gathering capability, I find them very difficult to believe. In fact, historically, every important code has been broken.

MACNEIL: Now, you were a member of this panel set up after the incident with your device, which then recommended -- and it's been the practice ever since -- that people in your field would submit scientific papers and findings to the NSA before they publish them, and they do it voluntarily. But you, alone on that panel, disagreed and opposed that. Why did you disagree?

DEVITA: For many reasons. Again, one of the reasons is that I felt that encryption is an extremely important technology for civilian applications. But other reasons were reasons of fears that that decision would lead to more formal restraints on academic freedom that I didn't think should be instituted, slowly, voluntarily initially, and subsequently, perhaps, with legislation. I felt the decision was a rather unwise one at the time.

MACNEIL: Now, that's been working for a year. And scientists, unlike you, have been submitting their papers to the NSA. Has any harm come of that?

DEVITA: Well, it's not clear to me how it has worked or not worked, because -- again, I don't know what NSA in fact does get or does not get. I believe that the issues of sending

materials to NSA are not really the real issues here. I believe that many people would send things to NSA voluntarily, but I don't believe that really calls for any kind of system to be instituted for formal prior review at all. I think NSA can easily ask most authors to send them their papers, and they probably would. I do.

MACNEIL: You do it anyway.

DEVITA: I would do it anyway. I don't find any reason for any kind of formal mechanism to have NSA request our papers. They can simply get on our mailing list and they can get the papers ahead of time.

MACNEIL: Is it possible, is it practicable for the government to restrict the dissemination of this kind of information in the cryptology field, these devices? You have two of them in front of you here.

DEVITA: No, not at all. And that's one of the key arguments that I try to make in this whole debate about protecting this kind of technology.

Here we have an encryption device which is actually the government-approved data encryption standard. This particular board happens to be an encryption and decryption device. This is, of course, controlled. You cannot export this without a license from the Commerce Department.

On the other hand, here we have a general purpose computer which can be also made into an encryption device rather easily. All you would need is a program.

So, effectively, these two board are almost identical.

MACNEIL: And one is restricted and the other isn't.

DEVITA: That's correct. And the argument is that we cannot control this technology because microprocessors, which is really this chip at the top of the board, are abundant and inexpensive. And furthermore, we're not the only ones who make these microprocessors. The Japanese and the Germans and the British, everybody else is making these microprocessors. So it would be very difficult to really control the materials that go into making crypto systems.

MACNEIL: Well, thank you.

LEHRER: Also on that panel which devised the voluntary review plan was Daniel Schwartz. Mr. Schwartz was then the general counsel for the National Security Agency. Since last October, he's been in the private practice of law here in Washington.

Mr. Schwartz, has the voluntary system worked, in your opinion?

DANIEL SCHWARTZ: It has so far. It has basically been in effect, in a formal sense, for about six months. But there has been quite a long period of time in which researchers in this field have been submitting papers.

LEHRER: How many papers have been submitted, in rough terms?

SCHWARTZ: Since the initiation of the program, some 35 papers have been submitted. But there were papers submitted before that. The problem was that they were not routinely submitted by everyone doing writing in the field.

LEHRER: Well, of these 35, were any of them killed by the NSA?

SCHWARTZ: None of -- all of the papers have gone forward through their publishing process, at least have not been restrained by NSA in any way. A few of the papers have raised some problems, and an accord has been reached with the authors in each case for minor changes in the papers.

LEHRER: But without exception, all 35 did go ahead. They were published. Is that right?

SCHWARTZ: They haven't actually been published...

LEHRER: I know what you mean. They went through the process and they were cleared.

All right. If there hasn't been any need to kill any papers or to prohibit the publication of any of the papers, doesn't that prove that the concern over the cryptography and the publication of these papers was not founded on fact?

SCHWARTZ: No, for two reasons. First of all, a six-month period is a very short period, particularly in a science like this. The study group recommended that the results of this voluntary process be reviewed after two years to see what kind of results had occurred and how NSA had dealt with the academic community. I would say six months is simply too short to make that judgment.

Secondly, there have been some changes that have been made where there was some feeling, in fact, that it would be disadvantageous to the national security to have the papers go as submitted.

LEHRER: I mean were these serious problems? And I

realize you can't tell me what they were. I wouldn't probably understand it if you did. But I mean were they serious problems, that if those papers had not been changed, that there would have been serious harm to the national security? Or were they little things?

SCHWARTZ: I don't know how you make that kind of a judgment. You can't really make that kind of a judgment until you see what the results are. Very often, particularly, in the field of cryptology, it is impossible to trace the result. You really don't know who's reading what, and you really don't know what kind of effect it has.

Part of the problem in this whole field is one that Dr. DeVita mentioned. As he said, he doesn't know what NSA does He doesn't know what the U.S. Government does. The problem is that most scientists in this area have no real idea whether what they're writing on might have an impact on the national security.

Part of the interest in establishing this kind of program was to give scientists an opportunity, and on a voluntary basis, to determine whether, in fact, there might be some impact in what they were writing. They wouldn't independently know that.

LEHRER: What about Mr. DeVita's point that it's really impossible to control the flow of this kind of information on crytography. It's a very -- you know, his example of the two boards there, that they're identical, you just have to make a minor change. And one board is available anywhere; the other one is restricted.

SCHWARTZ: There is no intent, I think, here, realistically, to get a perfect system. What one would be seeking, at best, is some incremental advantage, some additional help in trying to limit the outpouring of technical data that might be of assistance to our actual or potential adversaries. It's very hard to stem it completely, as we know. But the hope would be that in various -- in various ways, that this could be limited.

LEHRER: When Admiral Inman made his statement -- I think it was in 1979 -- saying that the free discussion, or the open discussion of cryptography was endangering the national security, did he have a specific incident in mind, that something had happened to prove his point? Or was it a fear based on what he was seeing that might happen?

SCHWARTZ: Two things were happening during that period. One was, there was an increased amount of research, and therefore publication, in the field of cryptography. This is an inevitable development. The concern was that that would raise problems, potentially. And there were incidents where, in fact, it did raise fairly serious concerns.

The second thing that happened, however, was that there have been -- in part because the National Security Agency was such a secret and highly classified agency -- a real lack of a dialogue between that agency and the scientific community. And part of what Admiral Inman was calling for at that time, and part of what this study group provided, was a vehicle to have a dialogue to address the problem.

LEHRER: And you think that's on its way, that's in progress.

SCHWARTZ: Well, so far, it is on its way. There has been, as far as one can tell, a fairly good response. And we will just have to see in the long term.

LEHRER: Thank you.

MACNEIL: Now a view from the Reagan Administration. Stephen Bryen is Deputy Assistant Secretary for International Economic Trade and Security Policy at the Defense Department.

Mr. Secretary, Admiral Inman warned that if some voluntary restraint did not happen, government -- and he mentioned the Pentagon specifically -- might be forced to step in. Do you agree with that?

SECRETARY STEPHEN BRYEN: Well, I think what we might have to do, if we can't work a system of voluntary restraint, is consider how we manage our own in-house research and development, and particularly the contract research that goes out to universities and scientific organizations around the country.

MACNEIL: You mean if they didn't voluntarily restrict publication of information, you would bring that research inside the Pentagon, so to speak.

SECRETARY BRYEN: It's a possibility, but I think a slight possibility, because, in fact, I expect we will have very good cooperation from our scientific community. We are engaged now in the beginning, only the beginning, of a dialogue on this subject. I think we can become more precise about the things we desire. And I believe that the scientific community is going to be very responsive.

MACNEIL: Are you doing some planning in the Defense Department right now for some ways of the government restricting this dissemination of the scientific community does not cooperate?

SECRETARY BRYEN: Only in a very limited sense. We are beginning to try and specify what particular programs we should be extremely careful about, in terms of how we deal on the outside. I think in the past...

MACNEIL: Do you mean we, Pentagon, or we, American?

SECRETARY BRYEN: We, Pentagon.

There are some sensitive programs that we have that were fairly loosely managed in the past, and we're trying to tighten those up a bit. I doubt that anyone on the outside would even see where the tightening occurs, but we will know.

MACNEIL: Do you care to mention an example?

SECRETARY BRYEN: One of the programs that we are quite concerned about is the very-high-speed integrated ciruit program we have underway in the Pentagon. We don't mean to tighten it up to the point where it becomes an entirely in-house effort, because I think we would fail at that. But we do mean to be very careful about the very specific circuits that apply to military hardware.

MACNEIL: I see.

Now to the point of what the need is for all this restriction. I read a figure today, and I've forgotten what the source of it was, but an estimate that only one percent of the so-called hemorrhage of sensitive information to, say, the Soviet Union could be traceable to the scientific community and publication, and that most of it comes from other sources, spying and so on.

SECRETARY BRYEN: The answer is we don't know the answer. We have tried, ourselves, to come to grips with how much is transferred through open literature, how much through trade conference, how much through legal sales -- and quite a lot was in the past transferred through legal sales -- how much through illegal acquisition. And we simply don't know today what the proportions are.

What we do know is that everywhere we look we find a plethora of examples of transfers of very sensitive technology that have gone to the Soviet bloc, have been turned around and used in Soviet military hardware. That much we do know.

I must say it's a very difficult area to be precise in, but we are trying to find more of the answer. Because, obviously, how we use our own resources will depend on the outcome.

MACNEIL: Can some parts of science be placed off limits, on national security grounds, when they have become vital in civilian life? Take the example of cryptography, as we've just heard from Professor DeVita.

SECRETARY BRYEN: I don't think so. I think some very

special areas that relate directly to military applications can be assigned a special status and category. But I should mention for the record that in many cases today civilian technology is actually well in advance of the kind of technology that's embodied in the weapons systems that defend this nation. That's one of the great problems that we face today. It's something that the Soviets are well aware of and are exploiting.

MACNEIL: You mean that, unwittingly, a scientist like Professor DeVita could invent something that was way ahead of anything you were actually using or planning to use.

SECRETARY BRYEN: Absolutely.

MACNEIL: And not know it.

SECRETARY BRYEN: Possibly not know it.

MACNEIL: I see. Well, thank you.

LEHRER: A second and different overview now from William Carey, Executive Director of the American Association for the Advancement of Science, the largest general science group in the country, one vitally involved in this issue of scientific information an national security.

Mr. Carey, how is the scientific community reacting to the Inman call for voluntary restraint?

WILLIAM CAREY: I think with consternation and disbelief. The shock that was administered to science by Admiral Inman's remarks was considerable.

It is not that science, in any way, is against the national security. That is not the problem. Science has supported the national security in the last 35 years through three hot wars and one very long cold war, and it will continue to do so. The issue arises over the imposition of censorship, whether compulsory or voluntary.

LEHRER: There is a difference, though, isn't there, between -- or do you not see a difference between voluntary censorship and compulsory censorship?

CAREY: Of course there is a difference. In the one case, the voluntary censorship, science cooperates with the national security authorities. In the other case, science has no choice.

LEHRER: Well, let's take the voluntary first. What is the basic objection to voluntarily going along with Bryen and Schwartz? Schwartz is a former employee, I should say.

CAREY: The objection is the generality in which the government side has presented or stated what the problem is. When Admiral Inman, who is a superb public servant, by the way, spelled out a long laundry list of areas of technology and applied science and general science to make his point, he did not discriminate among fields of science or among the technological intensities of technology versus research. And it makes a very big difference.

He has now proceed to think it over a little more. And what he is now telling the Congress is that 70 percent or more of the so-called hemorrhage -- which I believe is now referred to as leakage -- comes from high technology which is embedded, in many ways, in American manufacturing, goods or products, or in process technology.

Now, I don't think that very many people in the scientific community would argue with that proposition. But the remaining 30 percent of the problem comes down applied research, mainly in the industrial area, where the information seems to leak out through business deals, through legal and illegal arrangements.

And then you get down to science, the discovery process, the searching process, the creative process. And it may very well be that we're talking about one or two percent of the problem that the national security people are concerned about, one or two percent on a scale of 100 percent, defining the entire problem. And when government shakes a finger at scientists and says, "If you don't submit to a voluntary system of bringing to government information, your ideas, what are you going to do research on, if you don't send us copies of your publication or your preprints before you allow them to go into the system, then there'll be a public outcry and Congress will get after you and make it worse," well, the difficulty is that the way science works is -- it's like billiards. Your idea caroms off my thinking and off the thinking of a third scientist and a fourth. And in each collision, and in the total collision, the idea matures. It's changed. It's altered. And this is the way discovery works, the way knowledge advances. And finally, out of this collision, there comes an idea, a new idea, a new piece of information that fits into the jigsaw of knowledge.

And that's what would be impaired if the arteries of communication were clamped off for very serious reasons, coming from the government side. You clamp those arteries off, you're going to shut off the blood, you're going to slow down science, and you're going to invite second-rate science, which will not keep our national defense ahead of the Soviets. That's the problem.

LEHRER: Thank you.

MACNEIL: Mr. Secretary, what's your answer to that?

SECRETARY BRYEN: Well, I think our answer is as follows: We agree entirely that a completely broad-brush government approach is not necessary, is not called for, is not desirable. I agree fully to the notion that we want to keep our scientists as unfettered as we possibly can.

I think we have a responsibility, therefore, to try and be precise about the areas where we have concern, as happened in the area of cryptology, as will, I hope, happen in the area of very-high-speed integrated circuits, and other areas that are identified in precise terms.

What we need to then have is a dialogue with our university people and with our research organizations so that we can work out reasonable solutions with the least amount of, even voluntary, restrictions.

MACNEIL: What's wrong with that, Mr. DeVita?

DEVITA: Well, I think it's very difficult, really, to assess the damage that's done to a scientific effort when you withhold even a small number results. I think that the voluntary system really envisions withholding some results when NSA objects to them.

MACNEIL: Is that what it does envision, Mr. Secretary?

SECRETARY BRYEN: Well, I don't know if it does. I think that there are certain results that we would rather not publish that could bring harm to this country. We have a pretty good idea what they are by now. I think our scientific community that works on these problems has a pretty good idea of what they are.

MACNEIL: Well, Mr. Schwartz, you've thought about this a lot. What do you say -- I think Mr. DeVita and Mr. Carey have made the same point, that, in his image, the billiard game would be slowed down. You wouldn't have the number of collisions that produce new ideas if you stop publishing even a few.

SCHWARTZ: First of all, in practice, what happens, at least in the field of cryptology, is that there is a review. And so far, there has been very little effect on the final published work.

Secondly, I think it's important to stand back and look at what's really asked for here. What was done in the field of cryptology, and I think what Admiral Inman asked for, was a dialogue, recognizing that there are very important concerns on both sides. In the cryptology, with that study group, in fact, the

original proposals that Admiral Inman had suggested were completely rejected. But the people on the study group -- and I was the only government representative. The people on the study group came up with an entirely different proposal that is now being tried.

MACNEIL: Can I just interrupt? We just have a few seconds. I wanted to get Mr. Carey's view.

Mr. Carey, is the scientific community going to cooperate the way Secretary Bryen hopes it will?

CAREY: The scientific community is going to do its best to find an accommodation, to find a balance. I think that's going to be a very difficult, very responsible process. The National Academy of Sciences is working on that. We are setting up a panel. It has begun to meet.

MACNEIL: But you think it's going to be very difficult.

CAREY: It's going to be difficult, but I think we will make some ground, we will gain some ground, and come into some kind of understanding. We have to.

MACNEIL: And we have to leave it there.

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ON PAGE 1

THE WASHINGTON TIMES
21 April 1982

Soviets steal technology to build military: CIA

By Ted Agres
WASHINGTON TIMES STAFF

The Soviet Union has been secretly obtaining U.S. and Western technology goods and information and applying them to build up its military capabilities, according to a new intelligence report released by the CIA.

A "massive, well-planned, and well-coordinated Soviet program to acquire Western technology through combined legal and illegal means poses a serious and growing threat to the mutual security interests of the United States and its allies," the report states.

This is a result of the Soviet Union's continuing efforts to build up its military capabilities without expending the funds needed to develop sophisticated weapons systems. "In response," the report continues, "the West will need to organize more effectively than it has in the past to protect its miltary, industrial, commercial and scientific communities."

These warnings and suggestions are contained in a newly-declassified report prepared by the "intelligence community" and entitled, "Soviet Acquisition of Western Technology." The CIA, which is distributing the report, declines to claim authorship. But the report was recently released as supporting background information to testimony presented by CIA Deputy Director Adm. Bobby Inman before joint subcommittees of the House Science and Technology Committee last month.

In that testimony Inman proposed that industry and academia adopt some sort of voluntary guidelines to prevent the Soviet Union from obtaining technical information of military significance from such "open sources" as technical journals, academic symposia and trade shows and expositions.

If not, Inman suggested that the government might be forced to enact mandatory restrictions on publication of critical information — a step he said would be less than desirable for all concerned.

Despite documentary evidence to support Inman and other's charges concerning Soviet activities in acquiring technology, there has emerged strong opposition to any steps resembling government "censorship" of information. Rep. Albert Gore Jr., D-Tenn., for example, said: "I have not been convinced that the degree of leakage from the acddemic community is such that it would override the concern of even taking halting steps" toward restricting the flow of scientific information.

Legal and Illegal Efforts

Gore asked Inman for documentation that would support the CIA's arguments and the intelligence community report was prepared for that purpose, a CIA spokesman said.

The Soviets and their Warsaw Pact allies "have obtained vast amounts of militarily-significant Western technology and equipment through legal and illegal means," according to the report. A variety of methods are used for this acquisition, and all come under the guidance of the Soviet secret intelligence agencies, the KGB and its military counterpart, the GRU. They, in turn, make use of corresponding East European spy services.

"In microelectronics, for example, many U.S. firms were targeted through their affiliates in Western Europe; scientists, technicians, and commercial representatives also were successfully recruited to provide information during their trips to Europe," the report states. "Computer, microelectronic, and photographic areas were priority targets."

Other techniques to acquire Western technology include the widespread use of Soviet foreign trade representatives, government-to-government scientific and technology agreements, student exchange programs and covert espionage and illegal diversion, the report states.

"Illegal acquisitions of technolgy fall into two general categories, both of which are extremely difficult to detect and monitor. One is the diversion of controlled technology from legitimate trade channels to proscribed destinations. This is done through U.S. and foreign firms that are willing to engage in profitable impropriety; through agents-in-place in U.S. or foreign firms or foreign subsidiaries of U.S. firms; through Soviet- and East European-owned firms locally chartered in the West; and through foreign purchasing agents."

The report adds that the technology acquisitions that most directly benefit Soviet military development have come from intelligence collection and related illegal trade diversions.

"Soviet-bloc intelligence services have concentrated their efforts in the United States, Western Europe and Japan. These services target defense contractors and high-technology firms working on advanced technology (both classified and unclassified), foreign firms and subsidiaries of U.S. firms abroad and international organizations with access to advanced and/or proprietary technology, including access to computer data base networks throughout the world."

Aiding Soviet Military

The report details numerous examples of how Soviet acquisition of Western technology directly aided development of Soviet military systems, such as multiple-warhead nuclear missiles, armor-piercing projectiles, radar systems, advanced microelectronics and computer large scale integrated circuitry.

Future Soviet acquisition efforts — including efforts by their intelligence services, the report states — are likely to concentrate on the sources of such component and manufacturing technologies as:

- Defense contractors in the U.S., Western Europe and Japan who are repositories of military development and manufacturing technologies.
- General producers of military-related auxiliary manufacturing equipment in the U.S., Europe and Japan.
- Small and medium-sized firms and research centers that develop advanced component technology and designs.

All this poses a serious problem, for "with more than 11,000 such firms in the United States and hundreds of subsidiaries abroad, U.S. counterintelligence efforts are stretched thin," the report concludes.

Nevertheless, one effort by the Reagan administration to crack down on illegal diversions of technology appears to be bearing fruit. The U.S. Customs Service this year initiated "Operation Exodus" — a beefed up enforcement operation to monitor exports of U.S. technology goods abroad. In just the first two months of operation, 50 seizures have been made involving more than $15 million worth of technology equipment, according to Customs Commissioner William Van

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RADIO TV REPORTS, INC.
4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM News STATION WASH Radio

DATE April 21, 1982 7:00 P.M. CITY Washington, D.C.

SUBJECT Inman Resigns

JOE CONNALLY: The number two man in the CIA is leaving. The White House says Admiral Bobby Inman is leaving to enter private business.

Inman is a four-star general [sic] who specializes in space-age high-tech surveillance. There is no word yet on precisely what line of business he is going into, though.

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±†AM-Inman''''±

WASHINGTON; APRIL 21; REUTER -- ADMIRAL BOBBY INMAN; DEPUTY DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY (CIA); HAS RESIGNED; THE WHITE HOUSE ANNOUNCED TODAY.

ADMIRAL INMAN; WHO SERVED UNDER CIA DIRECTOR WILLIAM CASEY; TOLD PRESIDENT REAGAN IN A LETTER DATED MARCH 22 ''IT IS NOW TIME THAT I MOVE TO FRESH CHALLENGES.''

CONGRESSIONAL SOURCES SAID HE HAD DECIDED TO LEAVE THE CIA BECAUSE OF POLICY DISAGREEMENTS WITH MR CASEY.

ADMIRAL INMAN PREVIOUSLY SERVED AS DIRECTOR OF THE SUPERSECRET NATIONAL SECURITY AGENCY; WHICH BREAKS FOREIGN CODES AND MONITORS TELEPHONE AND SATELLITE COMMUNICATIONS.

HE SAID HE WOULD RETIRE FROM THE NAVY BUT REMAIN IN HIS CIA POST UNTIL HIS SUCCESSOR HAD BEEN NAMED.

THE PRESIDENT SAID IN A LETTER TO ADMIRAL INMAN THAT HE ACCEPTED THE RESIGNATION WITH DEEP REGRET.

''YOU LEAVE THE INTELLIGENCE COMMUNITY IN A STRENGTHENED AND ENHANCED POSTURE; FAR BETTER EQUIPPED TO DEAL WITH THE MANY EMERGENCIES WE FACE AS A NATION THAN WHEN YOU ASSUMED YOUR POSITION;'' HE SAID.

OFFICIALS SAID THEY DID NOT KNOW WHEN A SUCCESSOR WOULD BE NOMINATED.±

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±†AM-Inman 2 Washington (R-283 ... BE NOMINATED.)±

ADMIRAL INMAN IS A VETERAN OF NEARLY 30 YEARS IN THE NAVY AND IS ONE OF THE MOST HIGHLY RESPECTED MEMBERS OF THE U.S. INTELLIGENCE COMMUNITY.

AT THE TIME OF HIS SENATE CONFIRMATION HEARINGS FOR THE CIA POST LAST YEAR; REPUBLICAN SENATOR BARRY GOLDWATER OF ARIZONA SAID HE KNEW OF NO ONE IN THE INTELLIGENCE FIELD WHO WAS MORE HIGHLY REGARDED. SENATOR GOLDWATER SAID HE HAD URGED MR CASEY TO SEEK OUT ADMIRAL INMAN FOR THE JOB.

ADMIRAL INMAN SAID DURING HIS CONFIRMATION HEARINGS THAT PRESENT U.S. INTELLIGENCE ABILITIES WERE OUTSTANDING AND MORE ADVANCED THAN THE SOVIET UNION'S IN THE TECHNICAL AREA OF DATA COLLECTION.

BUT HE SAID THE UNITED STATES DID LESS WELL IN ASSESSING TRENDS.±

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FOR PUBLIC AFFAIRS STAFF

PROGRAM NBC Nightly News

STATION WRC-TV
NBC Network

DATE April 21, 1982 7:00 P.M.

CITY Washington, D.C.

SUBJECT Admiral Inman Resigns

ROGER MUDD: Life at the Central Intelligence Agency under Director William Casey has been less than calm. And today the agency's number two man, 51-year-old Admiral Bobby Ray Inman, resigned, effective upon the choice of a successor. Inman's reported opposition to increased domestic spying by the CIA was said to be the reason.

House Intelligence Committee Chairman Edward Boland called Inman "this nation's finest professional intelligence officer."

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FOR PUBLIC AFFAIRS STAFF

PROGRAM ABC World News Tonight STATION WJLA-TV ABC News

DATE April 21, 1982 7:00 P.M. CITY Washington, D.C.

SUBJECT Deputy Director of the CIA Resigns

FRANK REYNOLDS: A major change tonight in the American intelligence community. The White House announced that Admiral Bobby Inman, Deputy Director of the CIA, has resigned. Inman maintains his retirement was long planned. But there is more to the story. And we have this report from White House correspondent Sam Donaldson.

SAM DONALDSON: The White House has been sitting on Admiral Inman's letter of resignation since March 22nd. That's the day it's dated. In it, the Admiral recalls for the President that he reluctantly accepted the job of Deputy Director of Central Intelligence in the first place. And he says, pointedly, that he's requesting retirement from military service because he doesn't expect to get another assignment. And, in fact, the President doesn't offer him one in his "Dear Bob" letter accepting the resignation with deep regrets.

The fact is, Admiral Inman clearly opposed much of the Reagan Administration's push for renewed CIA surveillance of American citizens and for its push for relaxed oversight of CIA activities. The Reagan Administration, in turn, never really looked at Admiral Inman as one of its team players. Last year, when Senator Goldwater and others tried to force CIA Director Casey out, the White House quietly passed word that Inman would never succeed Casey, no matter what.

So Inman, who was widely respected in the intelligence community, both here and overseas, and by journalists who cover intelligence activities, has resigned. His letter of resignation, dated March 22nd, finally released because, according to Deputy Press Secretary Larry Speakes, Inman wanted it out.

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FOR PUBLIC AFFAIRS STAFF

PROGRAM CBS Evening News

STATION WDVM-TV CBS Network

DATE April 21, 1982 7:00 P.M.

CITY Washington, D.C.

SUBJECT The Resignation of Admiral Inman

DAN RATHER: A surprise and a mystery tonight in Washington. Admiral Bobby Inman has suddenly and unexpectedly resigned as Deputy Director of the Central Intelligence Agency. He also is retiring from the Navy. Inman is only 51 years old. He is widely regarded as the best intelligence manager in the country. He is generally thought to have been running the CIA on an hour-by-hour basis, as second man down to the 69-year-old CIA Director, William Casey.

The White House says Inman is leaving because he wants to go into private business. Details unspecified. Inman's letter of resignation mentions only family reasons for wanting to leave.

Why he suddenly chose this particular time to leave is, for the moment, at least, a mystery. CBS News was told tonight by a source with extensive contacts inside the CIA that Inman resigned because of personal difficulties with Director Casey. There is no official confirmation of this.

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PICTURE

CIA DEPUTY DIRECTOR RETURNING TO PRIVATE LIFE

BY DONALD A. DAVIS

WASHINGTON (UPI) -- IN THE SHROUDED WORLD OF THE SPY, BOBBY RAY INMAN WAS NOT A MAN TO BE TAKEN LIGHTLY.

NOT ONLY WERE HIS CREDENTIALS IMPECCABLE IN THE ARENA OF SIFTING THROUGH INTELLIGENCE INFORMATION, BUT INMAN WAS A FOUR-STAR ADMIRAL AND DEPUTY DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY.

HE SIGNED OFF ON BOTH JOBS WEDNESDAY TO RETURN TO PRIVATE LIFE. NO OTHER OFFICIAL REASON WAS GIVEN.

SPECULATION WAS RAMPANT, HOWEVER, ON WHETHER THERE WERE OTHER REASONS AND WHETHER INMAN WAS FED UP WITH HIS JOB.

AN INTELLIGENCE SOURCE SAID INMAN HAD "NEVER REALLY ENJOYED BEING NO. 2 AT THE AGENCY" AND THERE WERE REPORTS OF FRICTION BETWEEN INMAN AND CIA DIRECTOR WILLIAM CASEY, WHO HE REPORTEDLY ONCE CALLED "THE WANDERER" FOR HIS PENCHANT FOR FLYING TO HOT SPOTS AROUND THE WORLD.

CIA OFFICIALS ON ACTIVE SERVICE WOULD NOT DISCUSS THE RESIGNATION. BUT FORMER AGENTS WERE LESS RELUCTANT. ONE SAID INMAN HAD BEEN SHOULDERING TOO MUCH OF THE WORKLOAD AND WAS ALMOST RUNNING THE AGENCY.

ADMINISTRATION SOURCES WERE QUOTED BY THE WASHINGTON POST TODAY AS SAYING ONE POINT OF CONTENTION WAS THE EXTENT OF CIA SPYING IN THE UNITED STATES.

INMAN OPPOSED GOING AS FAR AS SOME WHITE HOUSE NATIONAL SECURITY COUNCIL OFFICIALS WANTED, BUT ENDED UP ENDORSING PRESIDENT REAGAN'S DESIRE TO AUTHORIZE COVER CIA ACTIVITES IN THE UNITED STATES.

WHITE HOUSE SOURCES WERE QUOTED BY THE POST AS SAYING INMAN WAS UNHAPPY WITH THE DECISION BY WILLIAM CLARK, REAGAN'S NATIONAL SECURITY ADVISER, TO REVIEW THE CIA AND DEFENSE BUDGETS.

PRIOR TO JOINING THE CIA LAST YEAR, INMAN SERVED AS DIRECTOR FOR THREE YEARS OF THE NATIONAL SECURITY AGENCY, WHICH COLLECTS MOST OF ITS INTELLIGENCE THROUGH ELECTRONIC INTERCEPTS. HE WAS RELUCTANT TO GIVE UP THE JOB AS NO. 1 AT NSA TO BECOME NO. 2 AT CIA, BUT DID IT.

INMAN WAS WIDELY RESPECTED ON CAPITOL HILL AND HIS APPOINTMENT BY REAGAN TO THE KEY CIA POST WAS HAILED, ESPECIALLY IN LIGHT OF CASEY'S LACK OF INTELLIGENCE EXPERIENCE.

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21 April 1982

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ZEDS: EDITS TO INCLUDE INMAN COMMENTS TO NEWSPAPER. SUBS GRAFS 13-14 WITH CONFIRMATION OF STUDY; INSERTS GRAF 17-20 WITH INMAN QUOTES FROM BALTIMORE INTERVIEW. EDITING ELSWHERE TO TIGHTEN.

ZBY BARRY SCHWEID

ZASSOCIATED PRESS WRITER

WASHINGTON (AP) - ADM. BOBBY INMAN, THE DEPUTY DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY, IS RESIGNING TO ENTER PRIVATE BUSINESS, THE WHITE HOUSE ANNOUNCED WEDNESDAY.

THE WHITE HOUSE RELEASED AN EXCHANGE OF LETTERS IN WHICH INMAN ASKED TO LEAVE HIS POST AS SOON AS A SUCCESSOR COULD BE CONFIRMED.

PRESIDENT REAGAN ACCEPTED THE RESIGNATION ''WITH DEEP REGRET.''

INMAN SAID IN HIS LETTER THAT HE BELIEVED ''THE INITIAL CHALLENGE HAS BEEN MET'' IN THE ADMINISTRATION'S GOAL OF STRENGTHENING THE NATION'S INTELLIGENCE CAPABILITIES.

THE PRESIDENT'S ACCOMPLISHMENTS ON THOSE LINES ''WILL RANK AS ONE OF THE MAJOR CONTRIBUTIONS OF YOUR FIRST TERM,'' INMAN WROTE.

THERE WAS NO IMMEDIATE WORD ON A SUCCESSOR TO THE 51-YEAR-OLD INMAN. TRADITIONALLY, ONE OF THE TOP TWO JOBS AT THE CIA GOES TO A CIVILIAN AND THE OTHER TO A MILITARY OFFICER.

THE WHITE HOUSE ANNOUNCEMENT SAID INMAN HAD WANTED TO RETIRE AT THE END OF 1980, AS THE CARTER ADMINISTRATION WAS LEAVING OFFICE, BUT HAD BEEN PERSUADED TO TAKE THE NO. 2 CIA POST.

INMAN'S LETTER WAS DATED MARCH 22; THE PRESIDENT'S WAS DATED WEDNESDAY.

DEPUTY WHITE HOUSE PRESS SECRETARY LARRY SPEAKES SAID THE ADMINISTRATION DELAYED ANNOUNCEMENT OF THE RESIGNATION IN THE HOPES IT COULD NAME A SUCCESSOR AT THE SAME TIME, BUT DECIDED TO GO AHEAD WHEN IT LEARNED THAT A NEWSPAPER - WHICH HE DID NOT IDENTIFY - WAS ABOUT TO PUBLISH A STORY ON INMAN'S DEPARTURE.

SPEAKES SAID HE KNEW OF NO REASON FOR INMAN'S RESIGNATION OTHER THAN WHAT HE WROTE. ANOTHER WHITE HOUSE SOURCE SAID IT WAS ''NOT BECAUSE OF ANY FIGHTS, SO I AM TOLD.''

ONE CONSERVATIVE SOURCE WHO HAS ACCESS TO INTELLIGENCE INFORMATION SAID WEDNESDAY EVENING THAT INMAN RESIGNED BECAUSE HE HAD ''VIOLENTLY OBJECTED'' TO A STUDY OF COUNTER-INTELLIGENCE MEASURES AUTHORIZED BY PRESIDENT REAGAN.

THIS SOURCE, WHO INSISTED ON ANONYMITY, SAID THE STUDY WOULD SHOW THAT INMAN, WHILE HE HEADED THE NATIONAL SECURITY AGENCY UNDER THE

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ᵻDeputy CIA Director Quitting

ᵻBy BARRY SCHWEID

ᵻAssociated Press Writer

WASHINGTON (AP) - Adm. Bobby Inman, the deputy director of the Central Intelligence Agency, is resigning late next month to enter private business, congressional sources said late Wednesday.

Inman was not immediately available for comment. The CIA referred questions to the White House, which itself declined any answers. An official statement was expected later in the day.

A four-star admiral, Inman's speciality is space-age high technology surveillance. He moved through a succession of intelligence jobs until he took over as the No. 2 official in the CIA behind director William Casey.

Last month, seeking to defuse a controversy over domestic spying, Inman told the Senate Intelligence Committee he believed the CIA should limit its work to other countries.

The vice chairman, Sen. Daniel Moynihan, D-N.Y., said Inman had made clear during the closed hearing that ''the job of the CIA is abroad. The CIA has no business involving itself in domestic operations, much less those directed against American citizens.''

Inman also was quoted telling the New York Times he was ''doing my damnedest'' to prevent ''a series of repugnant changes for which I would not stay in this administration.''

Sources who asked not to be identified said Inman had notified the president he would leave the government at the end of May to take a job in private industry.

There was no immediate word on a successor to the 51-year-old Inman. Traditionally, one of the top two jobs at the agency goes to a civilian and the other to a military officer.

Unlike Casey, who was questioned last year by Congress about his business ventures, Inman was a relatively noncontroversial figure.

''If there was ever the right man for the right job at the right time, this is it,'' said Chairman Barry Goldwater of the Intelligence Committee last year when Inman was named deputy director. The Senate confirmed Inman 94-0.

His job before that was director of the National Security Agency, which handles the super-secret job of breaking other nations' codes and listening in on radio and satellite communications.

Inman also is a former director of Naval Intelligence.

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AVIATION WEEK & SPACE TECHNOLOGY
19 April 1982

Letters to the Editor

Public Trust

Speaking as a key participant in a recent landmark First Amendment legal case (United States of America v. The Progressive, Inc.), I would like to offer the following comments on the statements of Adm. Bobby R. Inman and William D. Carey (AW&ST Feb. 8, p. 10).

Inman's statements that "One sometimes hears the view that publication should not be restrained because 'the government has not made its case,' almost always referring to the absence of specific details for public consumption," and "[This reasoning] stems from a basic attitude that the government and its public servants cannot be trusted.... Public review and discussion of classified information which supports decisions is not feasible or workable" exposes clearly the blatant arrogance and lack of trust in the citizenry which is all too often displayed by those very government officers Inman implies we should trust. This attitude of "Papa knows best" and "the public be damned" is the strongest possible reason for opposing more government classification and interference in open research in the U.S.

Only recently have American citizens learned that Gen. William Westmoreland, erstwhile commander of Army forces in Vietnam, routinely and deliberately furnished incorrect and misleading estimates of enemy strength to his superiors during the late 1960s. Why did Westmoreland do this? Because, in his own words, "the people in Washington were not sophisticated enough to understand and evaluate this thing—and neither was the media." And what of those officers on his own staff who opposed this falsification of figures?

According to the general, his critics were unable to see "the big picture" because "they lacked access to classified data" which supposedly would have justified the general's actions. We should also remember that during the Pentagon Papers case in 1971, it turned out that what the government claimed would be the single, most-damaging (if publicly revealed) piece of CIA intelligence was the text of an intercepted and decoded North Vietnamese radio message, which the U.S. Navy itself had declassified and made publicly available years earlier in order to justify its actions in the Gulf of Tonkin in August, 1964!

It is also extremely regrettable that Carey should cite the "born classified" concept embodied in the Atomic Energy Act as a justifiable form of government censorship. If nothing else, the existence of this aspect of the Atomic Energy Act is the best argument against any form of such censorship.

During the course of the Progressive case in 1979, it was revealed that the ideas (as opposed to hard technical information) that the U.S. Dept. of Energy wished to suppress were basic scientific concepts, which could have been deduced logically by a bright junior-high school student. When the case was argued before the U.S. District Court of Appeals in Chicago on Sept. 13, 1979, the government advanced the extraordinary proposition that even if those ideas were already in the public domain (which the DOE had conceded by that time), they should nonetheless be restricted as much as possible in their circulation. This incredible argument, that certain technical ideas are not protected by the First Admendment, was never tested in court because the Dept. of Justice dropped the case four days later.

It was also revealed during 1979 that the U.S. Atomic Energy Commission, in the course of a "crash" declassification program begun in 1971, had inadvertently released for public viewing and circulation a large number of very sensitive, highly technical weapons reports, disclosing key masses of materials, weights, dimensions, components, internal arrangements, yields, and efficiencies of both thermonuclear test devices and actual stockpile weapons. The government's response to the revelation of these erroneously declassified documents was to eject a private researcher from the Los Alamos Scientific Laboratory library, and then shut the library down!

Inman would now have scientists and journalists protect potentially damaging scientific and technical advancements, and he would offer even more power and authority to government bureaucrats who have displayed on more than one occasion their own incompetence to protect even properly classified data. The potential for political abuse looms large: during the Progressive case, letters critical of the government's conduct of the case, written to Sens. John Glenn and Charles Percy by myself and a group of scientists at the DOE's Argonne National Laboratory, were summarily and improperly classified by the DOE.

It has been said that patriotism is the last refuge of a scoundrel. It seems now that "national security" has become the first refuge. If Inman wishes the public to trust the government, then perhaps it is finally time for the government to start trusting the public.

CHUCK HANSEN
American Aviation Historical Society
Mountain View, Calif.

[redacted]

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ON PAGE 1.

WALL STREET JOURNAL
16 April 1982

Washington Wire

A Special Weekly Report From
The Wall Street Journal's
Capital Bureau

PRESS COVERAGE of U.S. intelligence efforts in the Falkland crisis anger Reaganites. Deputy CIA chief Inman called ABC News to try to kill planned reports on intelligence help given Britain. Pentagon officials refuse to confirm knowledge of Soviet submarines in the area for fear of tipping U.S. intelligence abilities.

GUARDIAN (US)
14 April 1982

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ON PAGE 2

CIA censors:

'Reclassifying' old news

Ralph McGehee thought all systems were "go" for his book on the CIA. A 25-year veteran of the agency who retired in 1977, he had his manuscript approved, after much bargaining, in 1980. Recently, he found a publisher. Now, however, the CIA wants to "reclassify" much of the information in the book and prevent McGehee from using it.

Current rules clearly state that "classification may not be restored to documents already declassified and released to the public." When McGehee asked a CIA legal adviser how, under the present regulations, the agency could attempt to withdraw this information, he was told, "Oh, we're operating under a new order."

The "new order," however, is not yet in effect. Once the agency realized this, it took the position that CIA officials had repeatedly "made a mistake in declassifying" the details in McGehee's original manuscript. Deputy CIA director Bobby Ray Inman, apparently realizing the absurdity of this stance, came to the rescue and reversed the board's decisions to reclassify after McGehee and his lawyer documented their claims of prior release and publication. The author is still afraid, however, that the censors will delay dealing with the rest of the book until the new order goes into effect, which would probably kill it altogether.

KAREN PETERSON

RADIO TV REPORTS, INC

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

[redacted]

FOR PUBLIC AFFAIRS STAFF

PROGRAM Nightline STATION WJLA TV
ABC Network

DATE April 13, 1982 11:30 PM CITY Washington, DC

SUBJECT U.S. and the Falklands

TED KOPPEL: ABC News has learned that the U.S. has been tilting in the dispute between Britain and Argentina. Details tonight of just what help Washington has been providing Britain and what the Soviets are doing for Argentina. We'll talk live with a British Member of Parliament in London and Argentina's Ambassador to the Organization of American States here in Washington. And we'll examine, with our diplomatic correspondent, what is likely to happen now to Washington's role as honest broker between London and Buenos Aires.

* * *

KOPPEL: For better than two weeks now, since Argentina invaded the Falkland Islands, Washington has been striking a public stance of impartiality. Washington has called for the withdrawal of those Argentinian troops. But in the person of U.S. Secretary of State Alexander Haig, the key posture has been one of honest broker, diplomatic middleman between two valued friends.

Secretary Haig returned from London to Washington this evening, tired, somewhat frustrated by a long and thus far fruitless round of shuttle diplomacy. But the suggestion was that the diplomatic ball is still very much in play.

SECRETARY OF STATE ALEXANDER HAIG: Good evening, ladies and gentlemen. The parties have received some new ideas today which they are considering. And this will give me an opportunity to discuss the situation directly with President Reagan, to catch up on some other work here in Washington before proceeding on to Buenos Aires and the continuation of our effort.

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ON PAGE A-8

BALTIMORE SUN
12 APRIL 1982

Science Thrives on Openness

Science and technology depend for their success on the free flow of information within and between nations. For instance, a scientist in one nation often takes a theory or technique one step further than its initiator in another nation.

History is replete with examples. Soviet physicists invented tokomaks—machines that are mankind's brightest hope for producing limitless energy through harnessing the power of the H-bomb—but the U.S. now has more advanced tokomaks than the Russians. In a more immediately practical application of some of the same principles that are used in tokomaks—a promising power-generating technique which uses fossil fuels and is called "magnetohydrodynamics"—the Russians are ahead of the U.S. In short, it is a naive kind of patriotism for Americans to imagine that the Russians (or the Japanese, Germans or Chinese, for that matter) don't have brilliant physicists, chemists, biologists and technologists, too.

But just such naivete characterized the utterances a few months ago of CIA Deputy Director Bobby R. Inman, who told U.S. scientists that if they didn't produce a voluntary system for protecting vital scientific and technological information, the American people would hold them responsible for a "hemorrhage" of the information to the Soviets. Admiral Inman proposed "pre-publication review"—censorship, that is—of papers in a number of fields, including computers. The State Department also asked U.S. universities to restrict the access of Soviet visitors to certain kinds of information, and President Reagan said he would allow some U.S.-Soviet exchange agreements—in space, energy and science—to lapse.

Even if censorship made any sense, where would the government find censors knowledgeable enough to decide what to censor? If the job weren't to be bungled by unqualified bureacrats, highly-trained scientists would have to be diverted from research and turned into censors. Also, there is a strong argument to be made that the U.S. gets more information than the Soviets from visits of Russian scientists to the U.S.; since the Soviets don't have a tradition of free publication, U.S. scientists get their best opportunity to pick Soviet brains on these visits.

The prestigious National Academy of Sciences has appointed a senior panel to investigate the link between scientific research and national security. We trust that the panel members perceive as clearly as we do that a free flow of information in science and technology is essential—and that the rewards of censorship (except in narrow military areas) are far smaller than the costs, which are frightening to contemplate.

STATINTL

[redacted]

RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM ABC World News Tonight

STATION WJLA TV
ABC Network

DATE April 12, 1982 7:00 PM

CITY Washington, DC

SUBJECT Soviet Technology Spies

MAX ROBINSON: An Idaho jury today began considering the case of a woman accused of helping convicted spy Christopher Boyce during a 19-month bank robbing spree. The robberies occurred after Boyce escaped from prison, where he was serving a 40-year sentence for espionage. He had been selling satellite secrets to the Russians, prime information in a world where high-technology secrets can be just as important as anything stolen from the military.

Who are the spies and how do they infiltrate this country?

JOHN MARTIN: The American intelligence community is alarmed, it says, about an elaborate conspiracy from abroad aimed at Congress, scientists, and American business executives.

ADMIRAL BOBBY INMAN: Since the early 1970's, the Soviets and their surrogates among the East Europeans have been increasingly using their national intelligence services to acquire Western civilian technology.

LAWRENCE BRADY: They buy what they can. What they can't get, they'll steal. And if they have problems meshing the two, then they get the information through a different way.

MARTIN: This is a man who stole. He was a spy in the United States for an East European country we agreed not to identify. Until he defected, he says, he was controlled by the Soviet KGB.

MAN: I came here under diplomatic cover to work in the United Nations.

MARTIN: You worked and lived in this country under that

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ON PAGE A-22

NEW YORK TIMES
12 APRIL 1982

[redacted]

Smothered, by a Security Blanket

The Reagan Administration is trying to stanch what it calls the "hemorrhage" of militarily useful technology to the Soviet Union. But its idea of a tourniquet looks more like a garrote.

The President's new executive order on secrecy rules provides that "basic scientific research information not clearly related to the national security may not be classified." But the order expands Washington's classification powers to cover grantees, that is scientists outside the Government. Worse, these vague powers are likely to be broadly and arbitrarily interpreted.

M.I.T. was told recently by the State Department that a Russian chemist visiting the school's department of nutrition could see what he liked, provided it had nothing to do with nutrition. State officials later explained the purpose was to bar the visitor from genetic engineering; but none of that is done in the laboratory in question.

It's not just bureaucrats who want scientists to work behind walls. Bobby Inman, deputy C.I.A. director, said in January that researchers in fields like computers, electronics, lasers and crop forecasting should submit their work for security checking before publication. Last month, he added high energy particle beams and genetic engineering.

Under the Reagan order, these proposals could bring almost all basic biology and much physics research under the censor's pencil, to close a loophole that even Admiral Inman concedes accounts for only a fraction of the technological leakage to the Soviet Union. Researchers would be saddled with an onerous bureaucracy that would inevitably become a drag on the pace of research.

Basic research, unlike more practical industrial and military projects, cannot be pursued in secrecy because it addresses problems too difficult for solitary contemplation. The open exchange of ideas and information is critical to progress.

Two years ago, when Admiral Inman was director of the National Security Agency, he asked the small group of researchers working in the mathematics of codes and code-breaking voluntarily to submit their articles for review before publication, and they agreed. But cryptology is a narrow specialty of clear military significance. There is a decided difference between that specific request and the blanket proposals, accompanied by threats of legislation, that he is issuing now.

The transfer of technology to the Soviets has long been a matter of vexed debate. Some contend that the more trade and security barriers thrown in their way, the longer the United States can preserve exclusive grasp on a technology. Others argue that the Russians are not technological incompetents. Under pressure, they could themselves develop what at present they find more convenient to acquire from the West.

A more relaxed policy would serve the West's best interests because a steady supply of foreign technology saps the Soviet Union's incentive to develop its own. It is better to have the Soviets stealing and copying — and following a few steps behind — than working independently and becoming able to deliver a technological surprise.

The Reagan Administration has joined the restrictionist side of the argument. But waving a stick at scientists is no substitute for the reasoned and specific approach that helped resolve the cryptology issue. Admiral Inman has never lacked for articulacy. That he fails to make a persuasive case for what he is asking suggests that there is none to be made.

THE ECONOMIST
10 April 1982

AMERICAN SURVEY

One man's secret, another man's right to know

WASHINGTON, DC

Americans are not by nature secretive; governments are. So it is not unusual to find a tension in Washington—one of the most open capitals in the world—between those, generally in government, who find disclosure of information either awkward or positively harmful and those, generally not in government, who believe that the openness of the American system is one of its greatest strengths. With a strongly anti-Soviet administration now in power, and showing new concern about national security, the old tension has appeared once again.

The issue of secrecy is being debated in two separate contexts. One is national security, which governments are sometimes tempted to equate with their own self-interest. Nearly 11 years ago, when the Nixon administration was attempting to prevent the New York Times, the Washington Post and other newspapers from publishing articles based on the top-secret "Pentagon Papers", one of the main issues of controversy was whether the documents—a defence department history of American involvement in Vietnam—should have ever been classified at all. The more the justice department sought to assert that disclosure of the information would do grave harm to national security, the more the newspapers argued that it was in the public interest to make the material available. The Pentagon Papers were not truly top secret, said the press; they were merely stamped with that designation to help conceal government deceptions and prevent embarrassment for policymakers.

Ultimately the Supreme Court agreed with the newspapers, refusing to block publication of the information, and ever since there has been a war, formal and informal, against overclassification of federal government documents. Members of the press and private citizens alike succeeded in having documents declassified by filing [illegible] of Information Act. Some government officials, including the former director of central intelligence, Admiral Stansfield

protect the documents that genuinely deserved protection was to avoid classifying those that did not.

Mr Jimmy Carter, while he was in the White House, issued an executive order with a strong bias towards disclosure. It required government officials formally to consider the public's "right to know" before classifying anything, and it said that classification must be based upon "identifiable" potential damage to national security. To be sure, Mr Carter eventually became distressed over leaks of classified information, but he never reversed his policy.

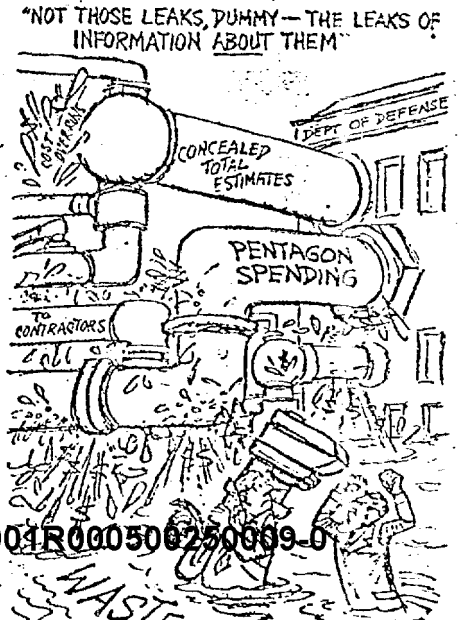
Now Mr Ronald Reagan has reversed it, issuing his own executive order with a bias towards secrecy. Not only does it eliminate the right-to-know and identifiable-damage provisions, but it also says that, when in doubt, officials must classify material at a higher and more restrictive level, rather than at a lower one more readily subject to declassification. It also creates a new category of temporary classification, allowing lower-ranking government workers who have no formal authority to stamp documents secret to do so none the less, pending a review by their superiors. What is more, it expands the broad categories of information that may be classified.

What with rising unemployment rates and the continuing recession, an executive order on the classification of government documents is not the stuff of widespread public debate. But for those who watch such issues closely, such as civil libertarians, Mr Reagan's order was an important step towards a more restrictive information policy. Administration spokesmen acknowledged that it was intended to make it more difficult for judges to rule in favour of plaintiffs under the Freedom of Information Act. Although the order specifically forbids the classification of information to conceal [illegible] that is precisely what is expected. And it seems theoretically possible that some

Rather different are the attempts of several of President Reagan's senior hardline advisers to prevent foreign adversaries and competitors from picking over the findings that flow from America's university laboratories. But their calls for drawing the scientific wagons into a circle are also getting a hostile reception, particularly from an academic community that increasingly regards the administration with distrust or even enmity. A panel of the defence department's own senior boffins recently cautioned the Pentagon that science and secrecy make a poor mix; they warned it that to insist on campus security would interfere seriously with its own cherished goal of re-establishing the co-operative ties that it enjoyed with academic science before the Vietnam war.

Secret research is not the issue, since almost all that was swept from academia in the campus upheavals of a decade ago. Anxiety is focused instead on the above-board fundamental research, particularly in the physical sciences and certain esoteric branches of mathematics, that constitutes the basis of tomorrow's technology. Some of this has potential for military applications.

The outstanding advocate of greater secrecy is Admiral Bobby Inman, deputy director of the Central Intelligence Agency. In his previous post, as director of the National Security Agency, Mr Inman



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SCIENCE MAGAZINE
9 April 1982

Spy Chief Warns Labs of Future Soviet Threat

A counterespionage offensive led by the Central Intelligence Agency (CIA) will force Soviet spies in the near future to increasingly target U.S. university-based scientists and engineers for technical and military secrets, Admiral Bobby R. Inman, deputy director of the CIA, told a congressional hearing on 29 March. Inman made the remarks by way of explaining his reasons for recently proposing an increase in voluntary censorship by U.S. scientists. "The academic outflow is currently small," he told the hearing. "But it will increase if our counterespionage efforts are successful."

Currently, Inman said, only about 30 percent of the Soviet Union's intelligence gathering is done through U.S. scientists and scientific exchanges, and of that, only "a very small part of the problem" centers on scientific papers. But the problem will increase, he warned, as the United States cracks down on overt espionage. Inman's remarks were less forceful than those made at the AAAS annual meeting in January, where he warned that if the scientific community did not start policing itself, it would be hit by a "tidal wave" of popular discontent over the "hemorrhage of the nation's technologies" (*Science*, 22 January, p. 383).

The hearing was called by House science and technology subcommittee chairmen Albert Gore, Jr. (D–Tenn.) and Doug Walgren (D–Pa.) to examine the impact of the Reagan Administration's secrecy proposals on science and technology. Inman said he was not making specific recommendations but merely playing the part of a "gadfly." He urged the scientific community to come forward with the proposals on how to reduce the flow of technical information to the Soviets. Gore questioned some of Inman's statements and said the United States should avoid taking "even the first step down the road that has made Soviet science so pitiful." Inman quickly replied that he was asking for nothing of the sort.

Also testifying at the hearing was Frank Press, president of the National Academy of Sciences. Scientists' major concerns, he said, is that the proposed expansion of the scope of classified information could force some basic research not directly tied to national security out of universities that avoid classified work. "We should consider how much our security is harmed by denying government access to many of the nation's most brilliant scientists and engineers who work on university campuses," he said. He also noted that the Academy is gearing up to perform a study on the relationship between university research and national security in light of the growing concern over technology transfer.—***William J. Broad***

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ON PAGE A26

THE WASHINGTON POST
8 April 1982

Science and the CIA

CIA DEPUTY DIRECTOR Bobby R. Inman stirred up quite a controversy a few months ago with a warning to scientists that they had better accept a voluntary system of pre-publication censorship. If they did not accept such restrictions, Adm. Inman predicted, scientists would be held responsible by public opinion for the "hemorrhage" of U.S. technology to the Soviet Union, and they would be "wiped away by a tidal wave of public anger."

In a recent congressional appearance, Adm. Inman regretted the tidal wave metaphor, but stood by his prescription. He is trying, he said, to "goad" scientists into taking action before the government is forced to. Restrictions would cover a sweeping range of research from crop projections to "manufacturing procedures"—this despite his acknowledgment that inadvertent disclosure of technological assets through communications, publications and conversations among scientists and engineers accounts for a "very small part of the problem." Seventy percent of scientific and technological losses occur through espionage, Adm. Inman estimated, while legal and illegal industrial transfers account for most of the rest.

Since this country relies heavily for its national security on its technological edge over the Soviets, even relatively small losses would be worth stemming if that could be done at an acceptable cost. The trouble is, it can't. Outside of the present administration, there are few who believe that a sweeping system of government pre-clearance of scientific research could even be imposed. If imposed, it would require legions of highly trained bureaucrats (that is, scientists and engineers who would be much more productively employed doing their own research than reviewing someone else's) to enforce. And if, somehow, such a system were created, the costs, in stifling and delaying U.S. technological advance, would be many times larger than the value of what would be denied to others.

The government already has more means for controlling export losses than it can effectively manage. There are several different export control lists covering weapons and sensitive technologies. These can be invoked against publication of listed technologies. There is a new 800-page "Military Critical Technologies" list under development. There is the Invention and Secrecy Act, which allows the government to impose secrecy on a patent application without justification and with limited opportunity for appeal. And there is the Export Administration Act, whose definition of "export" has been interpreted to cover "oral exchanges of information with foreign nationals in the United States."

The government should focus its attention on narrowing the critical technologies list to usable dimensions and on closing the loopholes and reducing the confusion, delay, overlap and error that surround the administration of the various export control lists. If these things can be done effectively, the case for imposing controls on research will disappear.

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ON PAGE 24.

AVIATION WEEK & SPACE TECHNOLOGY
5 April 1982

STATINTL

[redacted]

Scientific Data Security Urged to House Unit

Washington—University scientists should consider ways to reduce the loss of national security information from scientific exchanges or face the reality that some agencies of government will do it for them, Adm. Bobby R. Inman told the House Science and Technology Committee last week.

Inman stressed that the views he expressed were his own and not those of the Central Intelligence Agency, where he is deputy director. Inman said neither he nor the CIA has any plans to force the academic community to submit scientific papers for review.

Matter of Concern

Inman told two subcommittees meeting jointly that he is merely trying to act as "gadfly" or "goad" to draw attention to a matter that is of extreme personal concern to him. He said failure of the scientific community to address the problem may lead to interest by such agencies as the Commerce, State and Defense departments in designing controls. That could happen in 6-18 months, Inman predicted, adding that he could not speak for those departments.

Only a small percentage of information about U. S. national security considered valuable to the Soviets comes from scientific exchanges, Inman said.

The Soviets are particularly interested in laser and particle-beam research, biotechnology, high-speed integrated circuits and large-scale integration technologies.

If U. S. counterintelligence efforts are successful in stopping the nearly 70% of information that comes from non-scientific sources, such as actual hardware, however, college campuses will become a more important target of Soviet intelligence gathering, he said.

Inman's remarks on the same subject in January to the American Assn. for the Advancement of Science sparked controversy when it was wrongly assumed the U. S. intelligence community was about to demand security review of scientific papers. Inman said he accepted an invitation to appear before the association prior to assuming his CIA position and on the stipulation that it was understood his remarks represented his personal views (AW&ST Feb. 8, p. 10).

Inman said he intends to release this month an unclassified report of efforts by the Soviets to use American technology for their own gain.

Information Generation

Most of the scientific information the Soviet Union wants is generated by universities under Defense Dept. contracts. The Defense Dept. is now reviewing options to use those contracts for control of information, Acting Deputy Under Secretary of Defense George P. Millburn said.

Rep. Albert Gore, Jr. (D.-Tenn.) said private industry already uses contracts with universities to protect proprietary information, as is the case with a $50-million contract between Massachusetts General Hospital and a West German firm for biological research.

Millburn said the Defense Dept. will establish in the "near future" guidelines for release of information in Defense Dept. contracts. Some options under consideration include:

- An internal process whereby Defense Dept. research and development exports and the military departments work out terms for reviewing contracts in consultation with universities and Commerce and State departments.
- Prepublication review that would allow a contractor to change or modify technical data so it would be releasable to the public without going through an export licensing process.
- A time limit that could be imposed allowing the university investigator to publish his results if, after informing the government, he has not received a response within 30-60 days.
- A Defense Dept. simplification of the review process by first addressing the most critical and time-urgent technologies and then proceeding to wider coverage.
- Licenses that would be sought only in those cases clearly deemed subject to licensing requirements.

The urgency to control non-Defense Dept.-funded research is less than that for Defense Dept.-funded research, Millburn said.

"In federally contracted research programs, the contract negotiation process itself could provide a vehicle for educating the university research community of the needs of DOD for restricting information in certain sensitive areas," Millburn told the Science and Technology subcommittees.

Forum Established

A Defense Dept.-University Forum has been established and held its first meeting Feb. 24.

The forum consists of eight university presidents, three university and higher education organizations and nine Defense Dept. officials.

The first meeting dealt with export control, and a further group to define that area is being established with the Assn. of American Universities.

SCIENCE NEWS
3 April 1982

Hearing considers impact of secrecy proposals on science

The U.S. academic community may become a greater target for Soviet efforts to gather militarily important technical information if the government succeeds in cutting off Soviet espionage efforts, said Admiral Bobby R. Inman, deputy director of the Central Intelligence Agency. Currently, universities are responsible for only a small proportion of the outflow of sensitive technical information, he said. Inman repeated his warning made earlier this year at the American Association for the Advancement of Science annual meeting (SN: 1/16/82, p.35) that scientists should pay more attention to the national security implications of their research and publications, or they could face greater restrictions in the future.

Inman was one of eight witnesses who appeared last week before a joint hearing of two subcommittees of the House Committee on Science and Technology on government proposals to restrict access to nonsecret but sensitive scientific information.

Inman described his role as a "goad to discussion" in an attempt to "energize the academic community to take national security concerns seriously." He questioned the value of international exchange programs in which U.S. scientists and society appeared to gain little, and pointed to the voluntary prepublication review of cryptology papers as a good example of how to handle the problem of balancing national security interests and the need for open scientific communication.

Robert M. Rosenzweig, public affairs vice president at Stanford University, defended exchanges with the Soviet Union. "While we have little to gain from their science and technology," he said, "we have much to lose from ignorance of Russian institutions, processes, motives and purposes." Rosenzweig said the government already has the authority, by denying visas, to limit Soviet access to training and research in sensitive areas. "If work going on at Stanford was judged to be too sensitive to be exposed to a Russian visitor, then the solution is to keep him away from the university, not to ask the university to play policeman," he said.

Rosenzweig also described the cryptology agreement as a cumbersome experimental arrangement with ambiguous results so far. He said it would be a mistake to "overlearn from the experience and extend it prematurely to other fields of science." Frank Press, National Academy of Sciences president, also pointed out that some universities have refused to participate in the experiment.

Press said it was important to have a balanced, objective assessment of the views of both government and the scientific community on the export control and technology transfer controversy. He announced that the Department of Defense had agreed to fund and cooperate in an NAS study to examine the relationship between university research and national security. Chaired by Dale R. Corson, president emeritus of Cornell University, the 18-member panel plans to issue an interim report in September and a final report in March 1983.

The review will include an examination of the advantages and disadvantages of free communication in two or three specific fields of science and technology — such as mathematics relating to cryptology, very high speed integrated circuits and artificial intelligence — to be selected by the study panel in consultation with the Defense Department.

George P. Millburn, acting deputy under secretary of defense for research and engineering, outlined the Defense Department's dilemma. "If it vigorously attempts to regulate the flow of scientific information in the scientific community, it could jeopardize the strength and vitality of the very community it is seeking to revitalize for the sake of national defense," he said. "On the other hand, if DOD abandons any attempt at regulation in the university context, it could seriously compromise and, in certain cases, totally undercut other efforts to control the outflow of militarily critical technology."

Millburn said the Defense Department is increasing its monitoring of DOD-funded research to restrict the flow of unclassified technical information that falls under the category of information subject to export control. The system depends on the contract between the Defense Department and the university or researcher involved. "If guidelines for release of information are accepted as part of the contract, then there should be little room for misunderstanding later," said Millburn. "The system is voluntary in the sense that the contract does not have to be accepted."

Because all research is subject to export control regulations, Millburn said that similar contract guidelines could be negotiated not only with the Defense Department but also with other federal funding agencies, and that voluntary controls and peer review may be appropriate for research not funded by the federal government. The Defense Department sees its role as a consultant and advisor as to what is militarily critical and subject to export controls.

However, after listening to Millburn and Inman, Rep. Albert Gore Jr. (D-Tenn.) said, "I have not been convinced that the degree of leakage from the academic community is such that it would override the concern of even taking halting steps" toward restricting scientific communication. He suggested that Inman was taking the "first steps along the road that has made Soviet science so pitiful."

Press said the best way to solve the problem was to stay ahead by funding research and development and supporting education, while the NAS study would narrow and define the issues in which genuine differences exist. — *I. Peterson*

STAT INTL

[redacted]

DETROIT NEWS
2 April 1982

Spying on Universities

When Adm. Bobby Inman spoke last January before the American Association for the Advancement of Science, he suggested that scholars be more careful about sharing sensitive scientific information with their Communist counterparts. Moreover, the CIA's deputy director cautioned that further leakage of such secrets could provoke government intervention.

The response from many educators was predictable. They inveighed against the Reagan administration's efforts to "intimidate" America's scientific community. And once the smoke — and the rhetoric — cleared, the scientists returned to their laboratories to conduct business as usual.

Now Adm. Inman has repeated his complaints before Congress. And, unless the scientific community offers proposals to police its ranks, government-imposed restraints may become a reality.

Academic freedom is not an absolute that transcends all vital national interests. Nor will prudent security precautions retard research and development programs. Some universities already have restricted access to certain research projects to protect their own commercial interests. All Adm. Inman is saying is that academia should be equally careful about safeguarding information that might damage U.S. interests.

While he concedes that the campuses account for a "small percentage" of technical leakage, Adm. Inman predicts that colleges will be particularly vulnerable to Soviet agents once the administration's counterespionage efforts stop information leaks from other sources.

And, according to the best U.S. estimates, the scope of Soviet covert operations in this country is considerable.

The FBI claims that 35 percent of official Soviet representatives working in the United States are secret agents. This figure doesn't include the spies in diplomatic delegations, those who willingly cooperate with Communist aims, the hundreds of East European students attending American universities, the 5,000 annual Communist visitors to this country, or the 130,000 Iron Curtain emigres who have sought asylum in the United States in recent years.

The danger of KGB spying on college campuses increases as these institutions become more involved with sensitive defense and industrial research projects. The FBI knows Soviet agents are especially active in California where nearly 1,000 companies do classified government work and rely on that state's abundant university resources.

The call for increased security in the scientific community doesn't endanger academic freedom. And professors can avoid all bureaucratic intrusions by regulating themselves.

As Adm. Inman correctly states, "We cannot allow our vital technological lead to be whittled away simply because we refuse to take the time and trouble to try and strike a balance between the demands of academic freedom and the needs of national security."

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ON PAGE A12

THE WASHINGTON POST
1 April 1982

CIA Veteran Decries Effort t... Material in His Bo...

By George Lardner Jr.
Washington Post Staff Writer

The CIA has been making an awful lot of mistakes lately.

At least that's what its censors have been telling Ralph McGehee, a bemedaled veteran of 25 years with the agency who retired in disillusionment in 1977.

Until Adm. Bobby Ray Inman, deputy CIA director, stepped in, the censors appear to have been trying to "reclassify" information so old and so widely published it isn't even secret any more.

One example is the existence of Camp Peary, the CIA school for spies known as "The Farm" near Williamsburg, Va., where thousands of agency recruits have received clandestine training. The camp has been mentioned in numerous books and articles in the past decade, including writings cleared by the CIA.

The agency's Publications Review Board, however, told McGehee Feb. 16 that even an allusion to "nearby Williamsburg" was "classified and must be deleted" from a book chapter he had completed. The board also insisted he drop all mention of the size of his Camp Peary class (approximately 30) back in the '50s, the kind of training they got, and a memorable incident involving the booby-trapping of a toilet seat with a military firecracker.

"Classified," McGehee was informed.

Stunned, he wrote back in protest that many of the items in question had come from an earlier, CIA-cleared manuscript he had written, other bits of information had been contained in other CIA-cleared books, and still others had been widely published in writings that were not cleared by the agency. Essentially, McGehee was submitting his work again because he had found a publisher and was in the process of rewriting and revising it. He had already gotten the original version past the agency's censors in 1980 after laborious haggling. Now he was being told that those censors had made one mistake after another.

The same argument has been used by several other government agencies this year in efforts to recall and suppress information already released. Administration officials are seeking explicit authority to do that in a new executive order under consideration at the White House.

McGehee was especially upset over the review board's demand that he abandon several pages dealing with psychological tests the agency gives to find people who are, for instance, "logical and literal, seeing the world in ordered 'blacks' and 'whites'," and who have "difficulty in situations requiring sensitivity, sympathy and insight."

As recently as last October, he pointed out, the board's legal adviser had explicitly cleared a speech McGehee submitted in which he dealt with those same tests and described them as "designed to identify for hiring only those with rigid outlooks, predetermined bias, and authority-respecting, nonquestioning attitudes." In addition, he said, the review board had repeatedly ruled that the topic was not classified.

"This is the first time I know of their [CIA's] reversing a previous determination," said McGehee's lawyer, Mark H. Lynch. "This is clearly evidence that the Publications Review Board is likely to be less cooperative with authors."

Under existing rules, neither the CIA nor any other government agency has the authority to "reclassify" information already declassified. The classification system currently in effect, promulgated by President Carter in 1978, specifically states:

"Classification may not be restored to documents already declassified and released to the public under this order or prior orders."

McGehee says that when he brought this to the attention of a CIA legal adviser last month, the lawyer told him, "Oh, we're operating under a new order."

A draft executive order, under consideration at the Reagan White House, would wipe out the Carter proviso and allow officials to "reclassify information previously declassified and disclosed if it is determined in writing that (1) the information requires protection in the interest of national security and (2) the information may reasonably be recovered."

President Reagan, however, has yet to put any new rules into effect.

McGehee said the CIA lawyer quickly realized that and shifted instead to the position that agency officials had, again and again, "made a mistake in declassifying" the details in his original manuscript.

Inman reversed the board's decision in every instance this month after McGehee and his lawyer submitted documentation for their claims about prior release and publication. But McGehee is still fearful that the censors are going to hold him off on the rest of his book until the new executive order is issued.

For instance, he says, he just got a letter from the review board's lawyer rejecting his entire second chapter because "the items of classified information were so numerous and interwoven with the text that if they were to be deleted, the remaining text would not be intelligible."

McGehee, whose work at the agency was capped by award of the Career Intelligence Medal, was baffled. "Most of that chapter deals with my personal life in a certain country, traveling around, sightseeing and so forth," he said. "The guts of what I was doing in that country had already been cleared for me in a job resume saying this was the type of activity I was engaged in."

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National security vs. academic freedom

Administration wants to stem outflow of 'high tech'; will research suffer?

By Brad Knickerbocker
Staff correspondent of The Christian Science Monitor
Washington

The Reagan administration is moving steadily to stop the flow of military related technology to the Soviet Union. At the same time, scientists and academics are just as steadily resisting what they see as heavy-handed infringements on research and the free exchange of information.

This debate between "national security" and "academic freedom" has at times been tense. But there are indications that both sides want to see the controversy resolved voluntarily rather than by government fiat.

In congressional testimony this week, the CIA's deputy director, Adm. Bobby Inman, conceded that some of his earlier pronouncements on the subject had been inflammatory. He pointed out that government intelligence officials and private researchers have worked out an agreement on guarding information dealing with cryptography (the making and breaking of codes).

At the same hearing, National Academy of Sciences president Frank Press noted that the Defense Department "has agreed to support and cooperate" in a year-long study on the export of technology. A panel of distinguished scientists, academicians, and business leaders, many of whom have served in high government posts, would conduct the study.

"This is unquestionably a sensitive and complex problem," Assistant Commerce Secretary Lawrence Brady told the lawmakers. "We are striving to restrict the transfers of technology that impair our national security while not unduly burdening scientific research."

The key words in Mr. Brady's comment are "impair" and "unduly." They are highly subjective. But the administration has defined them to its satisfaction and is taking steps to stem what Admiral Inman describes as an "enormous outflow." Among them:

- The administration last week withdrew its financial support for the International Institute for Applied Systems Analysis in Austria, which has 17 member nations from NATO and the Warsaw Pact. US officials cited "Soviet abuse" of the scientific information exchanged there.
- The Defense Department is seeking a new security classification covering technological and scientific information. Such information could more easily be kept secret under the administration proposal. In a recent letter to national security adviser William Clark, Frank Press of the National Academy of Sciences warned that this could cause many universities to stop work in these areas "and thus deny to the Defense Department this important basic research resource."
- The administration has stopped sending the Soviet Embassy unclassified Commerce and Defense Department reports on high technology matters. It also has stepped up enforcement efforts under the Export Administration Act.

"As academic institutions have become increasingly involved in research for industrial applications, more technology becomes potentially subject to the regulations," Assistant Commerce Secretary Brady said. "We focus on preventing the transfer of scientific research involving nonpublic data that is related to industrial processes and could endanger US security."

- The Defense Department is adding to its list of "militarily critical technologies," which covers more than 600 items in such categories as computers, lasers, metals and alloys, and telecommunications. This list covers "technologies whose acquisition by potential adversaries would be detrimental to national security," and is used by the Commerce Department in deciding whether to license exports.

The government-scientific community debate is increasingly being reflected on Capitol Hill. Rep. George Brown (D) of California calls the administration's policies "short-sighted," and notes that "some of our closest allies" not only provide much scientific information to the Soviet Union but engage in "occasional industrial espionage" against the United States.

Sen. Jake Garn (R) of Utah, on the other hand, has introduced legislation that would establish a new Office of Strategic Trade. The House is considering a bill giving the Secretary of Defense greater power to regulate the disclosure of certain technological information.

There is general acknowledgment that the line between "pure" research and industrial or military technology is becoming less distinct. Many experts feel that Soviet intercontinental ballistic missile guidance systems may have benefited from freely available US technology.

"With few exceptions, the development of high technology, whatever the source, has military impact," says George Millburn, the Pentagon's man in charge of research and advanced technology.

PLAYBOY
April 1982

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NEXT MONTH:

"THE SMARTEST SPY"—YOU MAY NEVER HAVE HEARD OF **BOBBY RAY INMAN,** DEPUTY DIRECTOR OF THE CIA. LEARN WHY MANY OF HIS COLLEAGUES DON'T LIKE HIM, AND WHY YOU SHOULD, IN THIS REVEALING PROFILE—BY **ROBERT SAM ANSON**